

# City of Springfield, Missouri



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## Comprehensive Annual Financial Report

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For The Year Ended  
June 30, 2003

# **CITY OF SPRINGFIELD, MISSOURI**

## **Comprehensive Annual Financial Report**

**For the Year Ended June 30, 2003**

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**Prepared by the Department of Finance**

**Mary Mannix  
Acting Director of Finance**

**David Holtmann, CPA  
Accounting Manager**

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# MISSION

**The people of our community are the only reason  
we are here.  
Therefore,**

**We are committed to  
WORKING WITH THE COMMUNITY  
to provide ethical and responsible local government  
so that everyone can enjoy the benefits  
of living and working in Springfield.**

**We will achieve this through:**

**Integrity and Pride of Service**  
in everything we say and do, and with dedication to quality.

**Cooperating and Communication**  
with one another and with citizens to ensure open government,  
and open management with no surprises.

**Continuous Improvement of Services**  
through cost-effective utilization of  
people, materials, equipment and technology.

**Leadership and Knowledge**  
through staff training and development.

**Innovation**  
in how we meet present and future needs of our city.



# CITY OF SPRINGFIELD, MISSOURI

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## Introductory Section

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**CITY OF SPRINGFIELD, MISSOURI**  
Comprehensive Annual Financial Report  
Fiscal Year July 1, 2002 through June 30, 2003

**Mayor**

*Thomas J. Carlson*

**City Council**

*Denny Whayne  
Sheila O. Wright  
Ralph K. Manley  
John D. Wylie  
Mary Collette  
Gary Deaver  
Conrad Griggs  
Bob Jones*

*Zone 1  
Zone 2  
Zone 3  
Zone 4  
General (A)  
General (B)  
General (C)  
General (D)*

**City Officials**

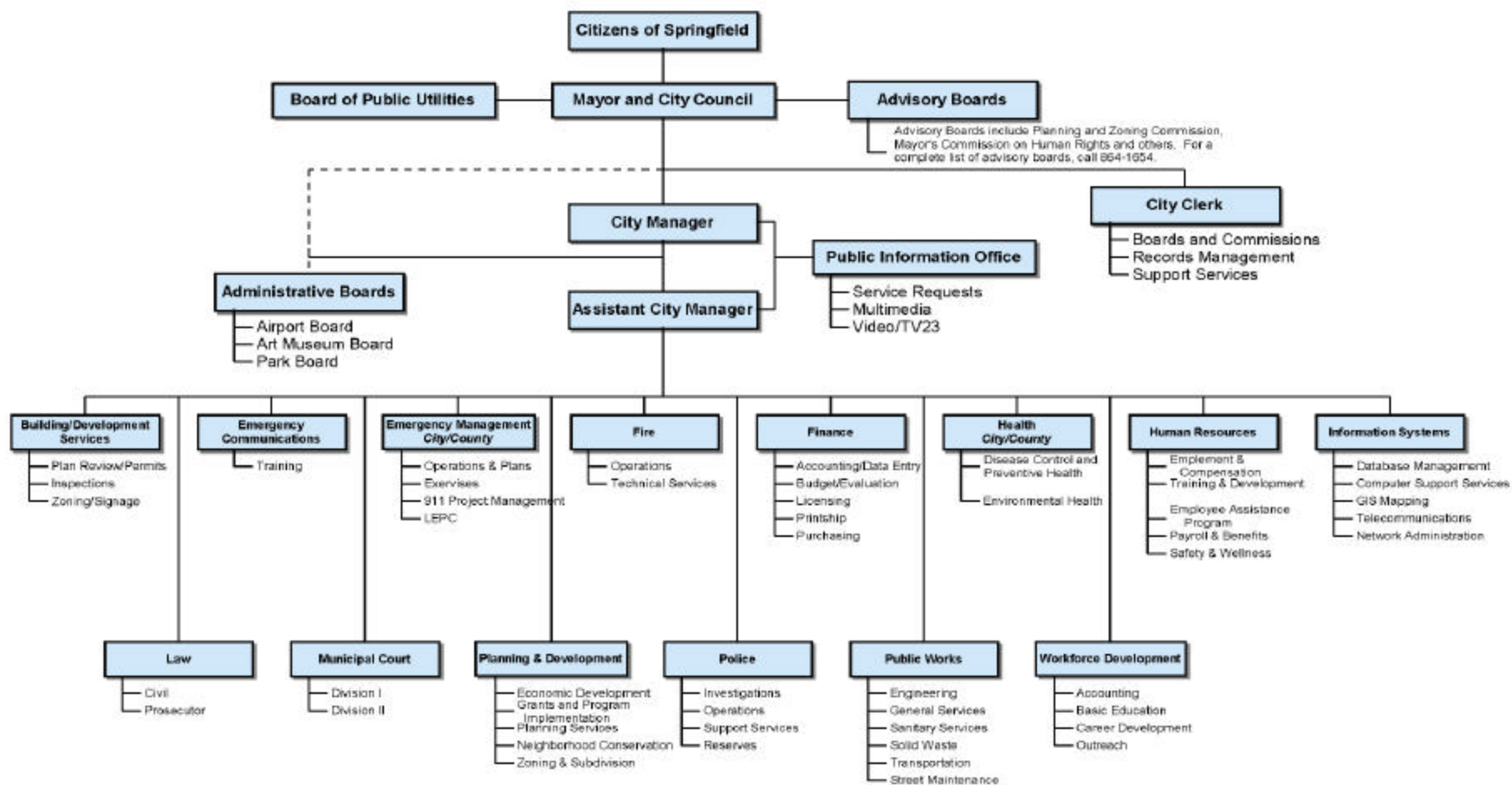
*Thomas W. Finnie  
Bob Cumley*

*City Manager  
Assistant City Manager*

*Howard C. Wright  
Brenda Cirtin  
Marc Thornsberry  
Harold Bengsch  
Fred Fantauzzi  
Mary Mannix  
Lynn S. Rowe  
Dan Whilser  
Dan Kinney  
Sheila Maerz  
Fred May  
Robert D. Hancik  
Robert E. Simpson  
Nick Heatherly  
Todd Thornhill  
Jerry Berger  
Becky Jungmann  
Evelyn Honea*

*City Attorney  
City Clerk  
Director of Public Works  
Director of Public Health and Welfare  
Director of Finance  
Acting Director of Finance  
Chief of Police  
Fire Chief  
Director of Parks and Recreation  
Director of Human Resources  
Director of Planning and Development  
Director of Aviation  
Director of Work Force Development  
Director of Building Development  
Chief Municipal Judge  
Director of Art Museum  
Director of Emergency Communication  
Director of Information Systems*

# City Government's Organization Chart



*Note: All Departments include an administrative section.*





December 31, 2003

**Honorable Mayor  
Members of the City Council  
Citizens of the City of Springfield, Missouri**

The Finance Department is pleased to present the Comprehensive Annual Finance Report for the City of Springfield, Missouri, for fiscal year ended June 30, 2003. This report is submitted to you in compliance with the City Charter, Section 5.2 which requires an annual report to the City Council on the financial condition of the City.

Responsibility to report financial data that is complete and accurate rests with the City. It is our belief that the information reported in this document fairly presents the financial position of the City in all material aspects, on a Government-wide and a Fund basis. To enhance the reader's understanding of these financial statements, note disclosures have been included as an integral part of this document.

To ensure reliability of the accounting data upon which the City's financial statements are based, internal controls are utilized to provide reasonable assurance that transactions are accounted for properly and City assets are safeguarded. Additionally, the Finance Department staff has prepared this report in conformity with accounting principles generally accepted in the United States (GAAP) which are standard guidelines for financial reporting, further ensuring that the financial position of the City is presented fairly.

The independent auditing firm of KPMG LLP has audited the City of Springfield's financial statements. The purpose of the audit conducted by KPMG was to review and provide reasonable assurance that the City's financial statements for year ended June 30, 2003, are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the government-wide and fund financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation.

In addition to the independent audit of the financial statements, a separate, federally mandated "Single Audit" was performed to meet the needs of specific grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on the administration of federal awards. These reports are available in the City of Springfield's separately issued Single Audit Report.

This Comprehensive Annual Financial Report (CAFR) reflects the changes required by the Government Accounting Standards Board (GASB) Statement No. 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments. The format and a description of these reports are addressed in the Management's Discussion and Analysis (MD&A) and in the notes to the financial statements.

The CAFR is presented in three sections: introductory, financial and statistical. The introductory section is designed to introduce the reader to the report and includes this transmittal letter, the City's organizational chart, a list of principal officials, and the GFOA (Government Financial Officers Association) Certificate of Achievement for Excellence in Financial Reporting for the 2002 CAFR.

The *financial section* begins with the independent auditors' report. The auditors' report discloses the opinion of the independent auditors with regard to the presentation of the financial statements and internal controls. This section also includes Management's Discussion and Analysis, the Basic Financial Statements and Notes that provide an overview of the City's financial position and operating results, the Combining Statement for nonmajor funds and other schedules that provide detailed information relative to the Basic Financial Statements.

The *statistical section* includes selected financial and demographic information, generally presented on a multi-year basis. This section is designed to provide the user with a broader and more complete understanding of the City and its financial affairs than is possible from only the financial statements and supporting schedules presented in the financial section.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Springfield's MD&A can be found in the Financial Section, immediately following the report of the independent auditors.

### ***Profile of the City***

The City of Springfield is a home rule city which was incorporated on February 18, 1838. Springfield is the third largest city in Missouri with approximately 156,124 residents and serves as the county seat for Greene County. With an estimated 75 square miles of land, the City of Springfield is at the center of a rapidly growing region in the southwestern corner of the state, approximately 170 miles south of Kansas City and 200 miles southwest of St. Louis. The City is empowered to levy property taxes on both real and personal property located within its boundaries and has the authority to extend its corporate limits through annexation, when deemed appropriate and as approved by City Council.

The City has operated under the Council-Manager form of government since March 17, 1953. As the legislative body, the City Council is responsible for enacting all ordinances, resolutions and regulations governing the City, as well as for appointing the members of various statutory and ordinance boards, the City Manager and the City Clerk.

The City Council consists of the Mayor and eight Council members, who are elected on a nonpartisan basis. The Mayor serves a two-year term and Council members, four at-large and one from each of four zones within the City, each serve staggered four-year terms. As chief administrator, the City Manager is responsible for enforcement of the laws and ordinances, as well as the supervision of all offices and departments created by Council.

The City of Springfield provides the full range of services normally associated with a municipality, including police and fire protection, emergency communication center, public works services, public health services, parks and other recreational facilities, an art museum and general administrative services. The City also operates the Springfield-Branson Regional Airport, the sanitary sewerage and solid waste disposal systems, and the City's municipal golf courses, all of which are accounted for in the financial statements as business-type funds.

This report presents data for the financial reporting entity, which includes all departments, funds, boards and commissions of the primary government (the City, as legally defined), as well as all of its component units. Component units are legally separate entities for which the City is financially accountable. The two component units of the City include the Public Building Corporation (PBC) which is a blended component unit and City Utilities of Springfield, Missouri which is a discretely presented component unit. The financial reporting entity is discussed further in Note 1 to the financial statements.

The Springfield R-12 School District and the Springfield Housing Authority do not meet the criteria for inclusion in the financial reporting entity and, accordingly, are not presented in this report.

The annual budget serves as the foundation for the City of Springfield's financial planning and control. During the budget preparation process, each office, department, and agency of the reporting entity provides detailed estimates of revenue and expenditures for evaluation by the City Manager. The City Manager also reviews estimates of all pending capital projects and those recommended for approval in the next budget year and within the succeeding five years. The City Manager may revise the estimates, as he deems necessary. At least 60 days prior to the beginning of each budget year, the City Manager submits to City Council a final budget. The budget is prepared by fund, function (e.g. public safety), and department (e.g. police). Department heads may make transfers of appropriations within their departments. However, transfers between departments require the special approval of the City Council. Budget-to-actual comparisons for the General and Special Revenue Funds are provided in this report.

### ***Factors Affecting Financial Condition***

**Local economy**—The City of Springfield is experiencing some moderate growth as is reflected in the 2.4% growth rate for the metropolitan area. Springfield's economy is highly diversified, with major industrial, medical, manufacturing and educational institutions, keeping the City's unemployment rate below the state and national averages. The average unemployment rate for 2003 for the metropolitan area was 3.6% as compared to the state average of 5.2% and the national average of 6.0%.

Springfield is home to the operations of several large companies such as: Kraft Foods; 3M Company—Adhesive, Coatings and Sealers Division; Bass Pro Shops; MCI WorldCom; Northrop Grumman Interconnect Technologies; Springfield Remanufacturing Corporation; General Electric; Reckitt Benckiser; Bank One and Sweetheart Cup. Springfield has what many businesses are looking for—a high quality of life, a well-trained workforce and low cost of living.

Southwest Missouri State University, with an enrollment of approximately 17,843 students, is located in Springfield, along with four private higher learning institutions—Drury University, Evangel University, Baptist Bible College, and Central Bible College. In addition, Ozarks Technical Community College provides vocational and technical training services to over 8,400 students within the eight-county region surrounding the City.

**Long-term financial planning**—The City of Springfield utilizes a five-year capital improvement program to prioritize public projects which will be scheduled over a number of years as financial resources are available. When possible, the City looks for creative funding solutions such as cost-sharing with other governmental agencies, public-private cooperative efforts, special purpose taxes, and modifications to development regulations as methods of providing needed capital items. The underlying philosophy of the capital improvements program prioritizes needs into three categories: (1) the protection of life, health, and public safety; (2) improvements to the City's existing infrastructure; and (3) construction of new infrastructure to keep up with the community's growth.

The 2003-2008 Capital Improvements Program identifies a variety of projects for completion over the next five year which including street improvements, storm sewer improvements, sanitary sewer improvements, park improvements and airport improvements. Other significant capital development includes Jordan Valley Park. This downtown revitalization project is a public-private partnership in which private investment is encouraged as the City develops the infrastructure. With the completion of the park's green space, recreational ice facility, the CarPark parking facility and the Expo Center, the City is focusing on the completion of an arena in the next three years. The City does not anticipate any impact to operating funds since this project is being funded with a designated portion of the Hotel/Motel Tax.


**Cash management policies and practices**—The primary objectives of the City investment activities encompass safety, liquidity and yield. Investments are undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio, in order to minimize credit risk and interest rate risk. To maximize investment earnings, the City consolidates cash balances of all funds except for certain restricted and special funds. Since falling interest rates have negatively impacted the City, current investing practices involve short-term investments with maturities of two years or less, with the anticipation that rates will recover in the near future.

**Risk management**—The City maintains a variety of general liability insurance policies, some of which are self-insured by the City. As a matter of policy, the boards of directors for the Airport, Parks Department, Art Museum and Missouri Career Center have required general liability coverage specific to their needs and thus the City has transferred these areas of risk to external insurance companies. To minimize risk of loss, the City employs a Safety Coordinator and a Safety Committee, which is made up of representatives from each of the operating departments. Risk issues are addressed in a proactive manner by providing specific training which will minimize or prevent risk exposure.

### **Awards and acknowledgements**

Our appreciation is extended to the various elected officials, agency and department directors, as well as employees, responsible for contributing to the sound financial condition of the City. Furthermore, the preparation of this report would not have been possible without the efficient and dedicated services of several members of the Finance Department. In particular, we would like to express appreciation to David Holtmann, Accounting Manager, and Financial Analysts, Glenda Hudson and Martha Mundt for their unfailing efforts in production of this report.

Sincerely,



Mary M. Mannix  
Acting Director of Finance

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Springfield,  
Missouri

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2002

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

# Financial Section

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1000 Walnut, Suite 1600  
P.O. Box 13127  
Kansas City, MO 64106

## **Independent Auditors' Report**

The Honorable Mayor and Members  
of the City Council  
City of Springfield, Missouri:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Springfield, Missouri (the City), as of and for the year ended June 30, 2003, which collectively comprise the City's basic financial statements as listed in the accompanying table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Springfield, Missouri as of June 30, 2003 and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis, budgetary comparison information, and schedules of funding progress and employer contributions on pages 9 through 15 and 71 through 73, respectively, are not a required part of the basic financial statements, but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise the City of Springfield's basic financial statements. The introductory section, supplementary information, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our

opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

In accordance with *Government Auditing Standards*, we have also issued a report, dated November 21, 2003, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*, and should be read in conjunction with this report in considering the results of our audit.

KPMG LLP

Kansas City, Missouri  
November 21, 2003



## MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Springfield, Missouri, we offer readers this narrative overview and analysis of the financial activities of the City of Springfield, Missouri, for the fiscal year ended June 30, 2003. We encourage readers to consider the information presented here in conjunction with the transmittal letter at the front of this report and the City's financial statements, which follow this section.

### ***Financial Highlights***

- The assets of the City of Springfield, Missouri (the City) exceeded its liabilities at the close of the most recent fiscal year by \$443,891,426 (net assets). Of this amount, \$118,190,200 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net assets increased over \$34 million. Of this amount, \$18.1 million was from the City's "governmental activities" and the balance was from the "business-type activities."
- The City's total debt increased approximately \$69.6 million (34.4%) during the current fiscal year. The City issued sewer revenue bonds totaling \$46 million (sewer expansion project) and approximately \$36 million governmental activity bonds related to the Jordan Valley Park Projects.

### ***Overview of the Financial Statements***

This discussion and analysis is provided as an introduction to the basic financial statements. The basic financial statements consist of three components: government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

***Government-wide financial statements.*** The *government-wide financial statements* are a broad overview of the City's finances in a manner similar to a private business.

The *statement of net assets* presents all of the City's assets and liabilities with the difference between the two reported as *net assets*. Net assets are an important measure of the City's overall financial health. The increases and decreases in net assets can be monitored to determine whether the City's financial positions are improving or deteriorating.

The *statement of activities* presents information showing how the City's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flow. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements report functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities for the City included general government, public works, public safety, parks and recreation, public health, and planning and development. The business-type activities for the City include the airport, sanitary sewerage system, refuse disposal, and golf.

***Fund financial statements.*** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure compliance with finance-related legal requirements. These funds are divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the City's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, the reader may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

**Proprietary funds.** The City uses two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its service center, print shop, and self-insurance (health and workers' compensation insurance) activities. Because these services predominately benefit governmental rather than business-type functions, they have been included within the *governmental activities* in the government-wide financial statements.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also contains certain *required supplementary information* regarding budgetary and pension information. The combining statements for the nonmajor funds and internal service funds are presented immediately following the required supplementary information on pensions.

### ***Government-wide Financial Analysis***

As noted earlier, net assets may serve as a useful indicator of the City's financial position. As of June 30, 2003, assets exceeded liabilities by \$443,891,426. The largest portion of the City's net assets, \$246,382,604 (56%), reflects its investment in capital assets (e.g., land, construction in progress, buildings, improvements, machinery and equipment, and infrastructure), less any related debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

## NET ASSETS

The following table reflects the condensed Statement of Net Assets as of June 30, 2003 and 2002:

### City of Springfield Net Assets

	Governmental Activities		Business-type Activities		Total	
	2003	2002	2003	2002	2003	2002
Current and other assets	\$ 172,778,399	164,475,500	126,861,779	90,750,675	299,640,178	255,226,175
Capital assets	<u>182,704,769</u>	<u>137,560,747</u>	<u>291,304,961</u>	<u>274,511,570</u>	<u>474,009,730</u>	<u>412,072,317</u>
Total assets	355,483,168	302,036,247	418,166,740	365,262,245	773,649,908	667,298,492
Long-term debt outstanding	162,949,886	128,978,585	135,942,600	102,014,408	298,892,486	230,992,993
Other liabilities	<u>23,194,373</u>	<u>21,774,419</u>	<u>7,671,623</u>	<u>4,980,811</u>	<u>30,865,996</u>	<u>26,755,230</u>
Total liabilities	186,144,259	150,753,004	143,614,223	106,995,219	329,758,482	257,748,223
Net assets:						
Invested in capital assets, net of related debt	76,272,303	49,803,776	170,110,301	188,496,203	246,382,604	238,299,979
Restricted	6,919,598	7,099,381	72,399,024	46,342,106	79,318,622	53,441,487
Unrestricted	<u>86,147,008</u>	<u>94,380,086</u>	<u>32,043,192</u>	<u>23,428,717</u>	<u>118,190,200</u>	<u>117,808,803</u>
Total net assets	\$ <u><u>169,338,909</u></u>	<u><u>151,283,243</u></u>	<u><u>274,552,517</u></u>	<u><u>258,267,026</u></u>	<u><u>443,891,426</u></u>	<u><u>409,550,269</u></u>

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. The City's combined net assets increased to \$443.9 million from \$409.6 million as a result of the increase in net assets reflected in the next table.

An additional portion of the City's net assets, \$79,318,622 (18%), represents resources that are subject to external restrictions on how they may be used. The remaining balance of City's net assets, \$118,190,200 (26%), represents unrestricted net assets that may be used to meet the City's ongoing obligations to citizens and creditors. Retroactive reporting of infrastructure assets acquired and completed prior to fiscal year June 30, 2002 is not included at this time; however, it will be reported in future fiscal years.

## *Change in Net Assets*

The following table reflects the revenues and expenses from the City's activities:

### **City of Springfield Changes in Net Assets**

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total</b>	
	<b>2003</b>	<b>2002</b>	<b>2003</b>	<b>2002</b>	<b>2003</b>	<b>2002</b>
Revenues:						
Program revenues:						
Charges for services	\$ 7,126,422	6,544,325	36,003,234	34,294,088	43,129,656	40,838,413
Operating grants and contributions	17,975,306	12,879,224	-	-	17,975,306	12,879,224
Capital grants and contributions	1,574,690	1,710,649	10,872,558	20,100,934	12,447,248	21,811,583
General revenues:						
Property taxes	14,192,502	8,388,780	-	-	14,192,502	8,388,780
Sales and use taxes	71,201,498	68,821,730	-	-	71,201,498	68,821,730
Other revenues	27,415,266	26,275,487	7,294,591	8,598,349	34,709,857	34,873,836
Total revenues	139,485,684	124,620,195	54,170,383	62,993,371	193,656,067	187,613,566
Expenses:						
Public works	14,816,445	17,632,822	-	-	14,816,445	17,632,822
Public safety	47,943,872	46,642,300	-	-	47,943,872	46,642,300
Parks and recreation	21,667,728	13,195,378	-	-	21,667,728	13,195,378
Planning and development	6,202,362	3,960,801	-	-	6,202,362	3,960,801
Public health	8,175,010	7,019,196	-	-	8,175,010	7,019,196
General government	16,262,936	15,438,654	-	-	16,262,936	15,438,654
Interest on long-term debt	7,418,153	6,091,779	-	-	7,418,153	6,091,779
Airport	-	-	11,130,492	10,743,883	11,130,492	10,743,883
Sanitary sewerage system	-	-	19,541,852	23,014,259	19,541,852	23,014,259
Refuse disposal	-	-	3,427,636	4,281,482	3,427,636	4,281,482
Golf	-	-	2,728,424	2,799,059	2,728,424	2,799,059
Total expenses	122,486,506	109,980,930	36,828,404	40,838,683	159,314,910	150,819,613
Increase in net assets before transfers	16,999,178	14,639,265	17,341,979	22,154,688	34,341,157	36,793,953
Transfers	1,056,488	1,000,176	(1,056,488)	(1,000,176)	-	-
Increase in net assets	18,055,666	15,639,441	16,285,491	21,154,512	34,341,157	36,793,953
Net assets, beginning	151,283,243	135,643,802	258,267,026	237,112,514	409,550,269	372,756,316
Net assets, ending	\$ 169,338,909	151,283,243	274,552,517	258,267,026	443,891,426	409,550,269

## ***Governmental Activities***

Governmental activities increased the City's net assets by \$18.1 million. Sales and use tax revenues, the largest governmental category, were \$71.2 million, or 51%. For the fiscal year ended June 30, 2003, revenues totaled \$193.7 million (governmental and business-type). Revenues from governmental activities total \$139.5 million, or 72%, of the total City revenues (an increase of \$14.9 million from last fiscal year).

Certain revenues are generated that are specific to governmental program activity. These totaled \$26,676,418. The following table shows expenses and program revenues of the governmental activities for the year ended June 30, 2003 and 2002:

**Net Cost of City of Springfield's Governmental Activities**

	<b>Total Cost of Service</b>		<b>Net Cost of Service</b>	
	<b>2003</b>	<b>2002</b>	<b>2003</b>	<b>2002</b>
Public works	\$ 14,816,445	17,632,822	13,313,016	16,560,341
Public safety	47,943,872	46,642,300	45,486,543	44,677,088
Parks and recreation	21,667,728	13,195,378	16,772,937	9,857,008
Planning and development	6,202,362	3,960,801	684,919	160,679
Public health	8,175,010	7,019,196	5,252,693	4,695,648
General government	16,262,936	15,438,654	6,881,827	6,804,189
Interest on long-term debt	7,418,153	6,091,779	7,418,153	6,091,779
	<u>\$ 122,486,506</u>	<u>109,980,930</u>	<u>95,810,088</u>	<u>88,846,732</u>

As previously noted, expenses from governmental activities total \$122.5 million. However, net costs of these services were \$95.8 million. The difference represents direct revenues received from charges for services of \$7.1 million, operating grants and contributions of \$18 million, and capital grants and contributions of \$1.6 million. Taxes and other revenues of \$112.8 million were collected to cover these net costs.

***Business-type Activities***

Business-type activities increased the City's net assets by \$16.3 million. Key elements of this increase are as follows:

- The airport recorded an increase of \$6.9 million in net assets for the year, which is attributed to federal grants received for capital improvement projects.
- The sewer system recorded an increase of \$7.4 million in net assets for the year, which is attributed to contributions and grants for capital improvement projects, as well as results from current year operations.

***Financial Analysis of the City's Funds***

As of the end of the fiscal year, the City's governmental funds report a combined fund balance of \$121.4 million (an increase of approximately 1.5%). The fund balance of the General Fund decreased \$2.6 million during the fiscal year. While this represents a 20% decrease in fund balance from the previous year, the City designated the partial use of its excess fund balance on one-time expenditures (the new ERP system). In addition, the City anticipated a second year of no economic growth and adjusted spending throughout the year to limit the impact on the City's General Fund balance. Despite the economic slowdown, the City met its budget policy by maintaining an operating reserve in excess of the 8 – 10% requirement.

### ***General Fund Budgetary Highlights***

Differences between the original and the final amended budget can be summarized as follows:

- The original revenue budget of \$57,998,050 was increased to \$58,341,750 (an increase of \$343,700).
- The total original expenditure budget of \$62,079,996 decreased to \$58,371,223 (a decrease of \$3,708,773).

Actual revenues were \$183,000 less than budgeted. Revenue from interest earned on investments was \$86,000 less than the revised estimate.

The public safety budget increased \$1,365,000. Appropriations were allocated from general government to fund unanticipated operating expenses in public safety.

### ***Capital Asset and Debt Administration***

#### ***Capital Assets***

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2003 amounts to \$474,009,730 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, collections systems, machinery and equipment, and infrastructure. Reporting of the City's major infrastructure assets extends only to the assets which were completed in the current and prior fiscal year, in which prior year costs for such projects were included. The City will be including the remaining infrastructure assets acquired in prior fiscal years in response to GASB Statement No. 34. Capital assets increased \$61.9 million during the period.

Major capital events during the current fiscal year included the following:

- Continued progress in the Jordan Valley Park Project totaling over \$23,000,000.
- Continued progress in the storm sewer projects totaling over \$7,500,000.

#### **City of Springfield Capital Assets (amounts expressed in thousands, net of depreciation)**

		<b>Governmental</b>		<b>Business-type</b>		<b>Total</b>	
		<b>Activities</b>		<b>Activities</b>			
		<b>2003</b>	<b>2002</b>	<b>2003</b>	<b>2002</b>	<b>2003</b>	<b>2002</b>
Land	\$	23,278	22,588	12,023	10,767	35,301	33,355
Construction in progress		68,745	35,861	52,237	39,295	120,982	75,156
Buildings		20,432	21,149	44,730	47,502	65,162	68,651
Improvements		5,259	5,106	38,189	39,087	43,448	44,193
Machinery and equipment		11,673	9,394	6,543	6,732	18,216	16,126
Infrastructure		53,318	43,463	137,583	131,129	190,901	174,592
Total	\$	182,705	137,561	291,305	274,512	474,010	412,073

#### ***Debt Administration***

The City, at the end of fiscal 2003, had a total of \$271 million of outstanding obligations. This was an increase of \$69 million, or 34%, from the previous year. The City's total debt increased approximately \$69.6 million (34.4%) during the current fiscal year. The City issued sewer revenue bonds totaling \$46 million (sewer expansion project) and approximately \$36 million governmental activity bonds related to the Jordan Valley Park Projects.

**City of Springfield Outstanding Debt**  
(amounts expressed in thousands)

		<b>Governmental</b>		<b>Business-type</b>		<b>Total</b>	
		<b>Activities</b>		<b>Activities</b>			
		<b>2003</b>	<b>2002</b>	<b>2003</b>	<b>2002</b>	<b>2003</b>	<b>2002</b>
General obligation bonds**	\$	146,055	111,405	—	—	146,055	111,405
Revenue bonds		—	—	83,155	40,071	83,155	40,071
Notes payable		4,000	4,000	38,040	45,944	42,040	49,944
Capital lease obligations		343	529	—	—	343	529
Total	\$	<u>150,398</u>	<u>115,934</u>	<u>121,195</u>	<u>86,015</u>	<u>271,593</u>	<u>201,949</u>

\*\*including Public Building Corporation bonds and Certificates of Participation.

***Requests for Information***

This financial report is designed to provide the reader a general overview of the City's finances. Questions or requests for more information concerning any of the information provided in this report should be directed to David Holtmann, Accounting Manager, Finance Department, City of Springfield, PO Box 8368, 840 Boonville Avenue, Springfield, MO 65801.

**CITY OF SPRINGFIELD, MISSOURI**

Statement of Net Assets

June 30, 2003

Assets	Primary government			Component unit
	Governmental activities	Business-type activities	Total	City Utilities
Cash and investments	\$ 117,799,198	43,910,184	161,709,382	136,926,000
Property taxes	13,027,630	—	13,027,630	—
Special assessments receivable	1,735,783	—	1,735,783	—
Accounts receivable	2,150,296	2,157,297	4,307,593	27,699,000
Accrued interest receivable	330,914	208,005	538,919	—
Inventories	1,210,318	1,468,923	2,679,241	26,679,000
Notes and loans receivable, net	22,235,500	942,160	23,177,660	—
Prepaid pension assets and expenses	—	47,138	47,138	15,257,000
Internal balances	870,499	(870,499)	—	—
Due from other government agencies	4,022,569	—	4,022,569	—
Restricted assets:				
Cash and cash equivalents	6,919,598	76,567,302	83,486,900	34,637,000
Other	—	2,368,815	2,368,815	—
Other	2,476,094	62,454	2,538,548	8,685,000
Capital assets:				
Non depreciable	92,022,951	52,236,739	144,259,690	48,290,000
Depreciable, net	90,681,818	239,068,222	329,750,040	629,954,000
Total assets	355,483,168	418,166,740	773,649,908	928,127,000
<b>Liabilities</b>				
Accounts payable and other current liabilities	10,693,570	989,639	11,683,209	16,158,000
Deferred revenue	7,207,303	144,891	7,352,194	—
Estimated liability for incurred but unreported claims	3,450,000	—	3,450,000	—
Other liabilities	1,070,000	—	1,070,000	11,171,000
Due to other governments	773,500	—	773,500	7,621,000
Utility customer deposits	—	—	—	2,109,000
Current liabilities payable from restricted assets	—	6,537,093	6,537,093	—
Noncurrent liabilities:				
Due within one year	12,434,424	11,133,876	23,568,300	8,968,000
Due in more than one year	150,515,462	124,808,724	275,324,186	152,305,000
Total liabilities	186,144,259	143,614,223	329,758,482	198,332,000
<b>Net Assets</b>				
Invested in capital assets, net of related debt	76,272,303	170,110,301	246,382,604	537,754,000
Restricted for:				
Debt service	6,919,598	72,399,024	79,318,622	41,164,000
Unrestricted	86,147,008	32,043,192	118,190,200	150,877,000
Total net assets	\$ 169,338,909	274,552,517	443,891,426	729,795,000

See accompanying notes to basic financial statements.



**CITY OF SPRINGFIELD, MISSOURI**

Statement of Activities

Year ended June 30, 2003

Functions/Programs	Expenses	Program revenues			Net (expenses) revenues and changes in net assets			
		Charges for services	Operating grants and contributions	Capital grants and contributions	Primary government			Component unit City Utilities
					Governmental activities	Business-type activities	Total	
Primary government:								
Governmental activities:								
Public works	\$ 14,816,445	841,358	662,071	—	(13,313,016)	—	(13,313,016)	—
Public safety	47,943,872	1,536,421	397,951	522,957	(45,486,543)	—	(45,486,543)	—
Parks and recreation	21,667,728	3,237,912	1,656,879	—	(16,772,937)	—	(16,772,937)	—
Planning and development	6,202,362	—	4,465,710	1,051,733	(684,919)	—	(684,919)	—
Public health	8,175,010	549,004	2,373,313	—	(5,252,693)	—	(5,252,693)	—
General government	16,262,936	961,727	8,419,382	—	(6,881,827)	—	(6,881,827)	—
Interest on long-term debt	7,418,153	—	—	—	(7,418,153)	—	(7,418,153)	—
Total governmental activities	122,486,506	7,126,422	17,975,306	1,574,690	(95,810,088)	—	(95,810,088)	—
Business-type activities:								
Airport	11,130,492	8,820,906	—	7,338,221	—	5,028,635	5,028,635	—
Sanitary sewerage system	19,541,852	20,519,722	—	3,534,337	—	4,512,207	4,512,207	—
Refuse disposal	3,427,636	3,540,307	—	—	—	112,671	112,671	—
Golf	2,728,424	3,122,299	—	—	—	393,875	393,875	—
Total business-type activities	36,828,404	36,003,234	—	10,872,558	—	10,047,388	10,047,388	—
Total primary government	\$ 159,314,910	43,129,656	17,975,306	12,447,248	(95,810,088)	10,047,388	(85,762,700)	—
Component unit:								
City Utilities	\$ 257,797,000	247,429,000	—	—	—	—	—	(10,368,000)
General revenues:								
Property taxes					14,192,502	—	14,192,502	—
Sales and use taxes					71,201,498	—	71,201,498	—
Franchise fees					3,152,357	—	3,152,357	—
Room taxes					1,089,211	—	1,089,211	—
Revenues from use of money and property					2,941,918	4,429,595	7,371,513	12,042,000
Other revenue					20,231,780	2,864,996	23,096,776	1,867,000
Transfers					1,056,488	(1,056,488)	—	—
Total general revenues and transfers					113,865,754	6,238,103	120,103,857	13,909,000
Changes in net assets					18,055,666	16,285,491	34,341,157	3,541,000
Net assets—beginning					151,283,243	258,267,026	409,550,269	726,254,000
Net assets—ending					\$ 169,338,909	274,552,517	443,891,426	729,795,000

See accompanying notes to basic financial statements.

**CITY OF SPRINGFIELD, MISSOURI**

Governmental Funds Balance Sheet

June 30, 2003

<b>Assets</b>	<b>General</b>	<b>Community Development</b>	<b>Tourism Tax Community Improvement</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
Cash and cash equivalents	\$ 6,788,002	62,966	14,593,593	95,066,433	116,510,994
Property taxes receivable (net uncollectible amounts)	—	—	—	13,082,630	13,082,630
Special assessments receivable	—	—	—	1,735,783	1,735,783
Restricted cash and cash equivalents	—	—	—	6,919,598	6,919,598
Accrued interest receivable	65,597	2,821	—	248,604	317,022
Accounts receivable and unbilled revenue	600,152	—	—	1,550,144	2,150,296
Inventories	7,494	—	—	906,952	914,446
Notes and loans receivable, net	—	22,235,500	—	—	22,235,500
Due from other funds	2,577,741	—	—	—	2,577,741
Due from other government agencies	643,308	1,156,785	147,511	2,028,273	3,975,877
<b>Total assets</b>	<b>\$ 10,682,294</b>	<b>23,458,072</b>	<b>14,741,104</b>	<b>121,538,417</b>	<b>170,419,887</b>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities:</b>					
Accounts payable and other current liabilities	\$ 418,699	256,665	2,974,532	6,765,054	10,414,950
Deferred revenue	—	19,661,110	—	15,272,258	34,933,368
Due to other governments	—	—	—	773,500	773,500
Due to other funds	—	—	387,500	1,394,338	1,781,838
Anticipation notes payable	—	—	1,070,000	—	1,070,000
<b>Total liabilities</b>	<b>418,699</b>	<b>19,917,775</b>	<b>4,432,032</b>	<b>24,205,150</b>	<b>48,973,656</b>
<b>Fund balances:</b>					
Reserved for:					
Encumbrances	1,267,248	269,419	7,620,572	20,072,875	29,230,114
Debt service	—	—	—	6,919,598	6,919,598
Unreserved:					
Designated for operating reserve	8,302,000	—	—	—	8,302,000
Undesignated	694,347	3,270,878	2,688,500	—	6,653,725
Unreserved, reported in nonmajor funds:					
Special revenue funds	—	—	—	9,128,142	9,128,142
Debt-service funds	—	—	—	30,164,887	30,164,887
Capital projects funds	—	—	—	29,525,151	29,525,151
Permanent funds	—	—	—	1,522,614	1,522,614
<b>Total fund balances</b>	<b>10,263,595</b>	<b>3,540,297</b>	<b>10,309,072</b>	<b>97,333,267</b>	<b>121,446,231</b>
<b>Total liabilities and fund balances</b>	<b>\$ 10,682,294</b>	<b>23,458,072</b>	<b>14,741,104</b>	<b>121,538,417</b>	<b>170,419,887</b>

See accompanying notes to basic financial statements.

**CITY OF SPRINGFIELD, MISSOURI**

**Reconciliation of the Governmental Funds Balance Sheet  
to the Statement of Net Assets**

June 30, 2003

Fund balances—total governmental funds		\$	121,446,231
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:			
Governmental capital assets	\$	226,118,983	
Less accumulated depreciation		<u>(43,596,539)</u>	
			182,522,444
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as expenditure when due			(123,746)
Adjustment of deferred revenue			27,671,015
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net assets			(1,859,140)
Long-term liabilities, including bonds payable are not due and payable in the current period and therefore are not reported in the funds, net of unamortized premiums/discounts			(162,793,989)
Unamortized issuance costs on bonds			<u>2,476,094</u>
Net assets of governmental activities	\$		<u><u>169,338,909</u></u>

See accompanying notes to basic financial statements.

**CITY OF SPRINGFIELD, MISSOURI**

Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances

Year ended June 30, 2003

	<b>General</b>	<b>Community Development</b>	<b>Tourism Tax Community Improvement</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
Revenues:					
Taxes:					
Property	\$ —	—	154,503	14,265,477	14,419,980
Sales	35,967,214	—	1,672,847	33,561,437	71,201,498
Franchise	3,152,357	—	—	—	3,152,357
Room	—	—	—	1,089,211	1,089,211
Licenses and permits	2,824,732	—	—	—	2,824,732
Intergovernmental	3,359,691	3,959,363	2,719,354	9,511,588	19,549,996
Charges for services	2,474,326	—	—	4,652,096	7,126,422
Fines and forfeitures	1,364,153	—	—	—	1,364,153
Special assessments	—	—	—	594,082	594,082
Revenues from use of money and property	248,239	—	278,411	2,415,268	2,941,918
Payments in lieu of taxes	8,727,089	—	—	—	8,727,089
Other	40,599	1,376,916	411,694	3,657,775	5,486,984
Total revenues	<u>58,158,400</u>	<u>5,336,279</u>	<u>5,236,809</u>	<u>69,746,934</u>	<u>138,478,422</u>
Expenditures:					
Current:					
Public works	5,973,336	—	—	10,422,886	16,396,222
Public safety	38,381,701	—	—	8,919,012	47,300,713
Parks and recreation	—	57,937	—	11,938,731	11,996,668
Planning and development	1,003,281	5,968,170	—	417,538	7,388,989
Public health	—	—	—	6,876,349	6,876,349
General government	10,157,688	116,961	—	5,230,539	15,505,188
Debt service:					
Principal	—	—	—	9,795,360	9,795,360
Interest and other charges	—	—	—	9,822,192	9,822,192
Capital outlay:					
Public works	58,934	—	—	11,906,719	11,965,653
Public safety	1,073,470	—	—	5,356,688	6,430,158
Parks and recreation	—	—	24,830,238	8,825,186	33,655,424
Planning and development	—	—	—	1,871,982	1,871,982
Public health	—	—	—	1,305,700	1,305,700
General government	92,166	—	80,378	1,722,382	1,894,926
Total expenditures	<u>56,740,576</u>	<u>6,143,068</u>	<u>24,910,616</u>	<u>94,411,264</u>	<u>182,205,524</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,417,824</u>	<u>(806,789)</u>	<u>(19,673,807)</u>	<u>(24,664,330)</u>	<u>(43,727,102)</u>
Other financing sources (uses):					
Bond proceeds	—	—	24,567,198	18,732,042	43,299,240
Issuance of refunding bonds	—	—	—	5,470,000	5,470,000
Payment to escrow agent	—	—	—	(4,190,000)	(4,190,000)
Transfers in	2,209,422	106,341	3,394,982	15,282,617	20,993,362
Transfers out	(6,190,888)	(7,500)	(1,539,380)	(12,199,103)	(19,936,871)
Total other financing sources and uses	<u>(3,981,466)</u>	<u>98,841</u>	<u>26,422,800</u>	<u>23,095,556</u>	<u>45,635,731</u>
Net change in fund balances	<u>(2,563,642)</u>	<u>(707,948)</u>	<u>6,748,993</u>	<u>(1,568,774)</u>	<u>1,908,629</u>
Fund balances—beginning	<u>12,827,237</u>	<u>4,248,245</u>	<u>3,560,079</u>	<u>98,902,041</u>	<u>119,537,602</u>
Fund balances—ending	<u>\$ 10,263,595</u>	<u>3,540,297</u>	<u>10,309,072</u>	<u>97,333,267</u>	<u>121,446,231</u>

See accompanying notes to basic financial statements.

# CITY OF SPRINGFIELD, MISSOURI

## Reconciliation of the Change in Fund Balances of Governmental Funds to the Statement of Activities

June 30, 2003

Net change in fund balances—total governmental funds		\$	1,908,629
Amounts reported for governmental activities in the statement of activities is different because:			
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The following is the detail of the amount by which capital outlays exceeded depreciation in the current period			
Capital outlay	\$	49,947,010	
Depreciation		(7,100,511)	
			<u>42,846,499</u>
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, donations, and disposals) is to decrease net assets			106,148
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds			901,111
The issuance of long-term debt (e.g., bonds, loan, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. In the statement of activities, interest is accrued on outstanding bonds, whereas in the governmental funds, an interest expenditure is reported when due. The following is the detail of the net effect of these differences in the treatment of long-term debt and related items:			
Bond, capital lease, and loan proceeds		(48,769,240)	
Repayment of principal (bonds, loans, capitalized lease obligations)		14,171,170	
Premiums		134,005	
Issuance cost amortization		(103,794)	
Interest		2,270,034	
			<u>(32,297,825)</u>
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds			4,282,867
Internal service funds are used by management to charge the costs of various activities internally to individual funds. The net expense of certain activities of internal service funds is reported with governmental activities			<u>308,237</u>
Change in net assets of governmental activities	\$		<u>18,055,666</u>

See accompanying notes to basic financial statements.

**CITY OF SPRINGFIELD, MISSOURI**

Proprietary Funds Statement of Net Assets

June 30, 2003

Assets	Enterprise Funds					Internal Service Funds
	Regional Airport	Sanitary Sewerage System	Refuse Disposal	Nonmajor	Total	
Current assets:						
Cash and cash equivalents	\$ 3,554,306	30,733,344	9,622,534	—	43,910,184	1,288,204
Accrued interest receivable	16,801	146,871	44,333	—	208,005	13,892
Accounts receivable	736,405	1,420,892	—	—	2,157,297	—
Due from other funds	—	—	—	—	—	46,692
Unbilled revenue	—	942,160	—	—	942,160	—
Inventories	232,346	971,956	114,882	149,739	1,468,923	295,872
Unamortized bond issue costs	62,454	—	—	—	62,454	—
Prepaid expenses	47,138	—	—	—	47,138	—
Total current assets	4,649,450	34,215,223	9,781,749	149,739	48,796,161	1,644,660
Restricted assets:						
Cash and cash equivalents	13,074,206	62,863,451	—	629,645	76,567,302	—
Other	267,096	2,101,719	—	—	2,368,815	—
Total restricted assets	13,341,302	64,965,170	—	629,645	78,936,117	—
Property, plant, and equipment:						
Land and easements	7,401,874	2,139,308	2,101,541	380,661	12,023,384	23,614
Buildings	27,666,410	62,301,315	921,576	575,225	91,464,526	1,042,726
Collection system	—	203,165,669	—	—	203,165,669	—
Improvements other than buildings	40,121,681	9,466,290	10,781,570	7,541,400	67,910,941	237,818
Machinery and equipment	7,315,357	4,541,154	5,648,197	990,819	18,495,527	244,419
	82,505,322	281,613,736	19,452,884	9,488,105	393,060,047	1,548,577
Less accumulated depreciation	(35,587,047)	(107,424,385)	(7,892,505)	(3,087,888)	(153,991,825)	(1,381,623)
	46,918,275	174,189,351	11,560,379	6,400,217	239,068,222	166,954
Construction in progress	38,971,743	13,225,891	39,105	—	52,236,739	15,371
Total property, plant, and equipment	85,890,018	187,415,242	11,599,484	6,400,217	291,304,961	182,325
Total assets	103,880,770	286,595,635	21,381,233	7,179,601	419,037,239	1,826,985

See accompanying notes to basic financial statements.

**CITY OF SPRINGFIELD, MISSOURI**

Proprietary Funds Statement of Net Assets

June 30, 2003

Liabilities and Net Assets	Enterprise Funds					Internal Service Funds
	Regional Airport	Sanitary Sewerage System	Refuse Disposal	Nonmajor	Total	
Current liabilities:						
Accounts payable	\$ 250,502	139,623	538,324	52,853	981,302	154,874
Retainages payable	—	6,860	—	—	6,860	—
Accrued compensated absences	59,462	109,204	28,666	8,681	206,013	40,143
Due to other funds	—	—	—	795,853	795,853	—
Accrued interest payable	—	—	—	1,477	1,477	—
Deferred revenue	144,891	—	—	—	144,891	—
Estimated liability for incurred but unreported claims	—	—	—	—	—	3,450,000
Current maturities of long-term debt	6,902,500	3,711,015	—	314,348	10,927,863	—
Total current liabilities	7,357,355	3,966,702	566,990	1,173,212	13,064,259	3,645,017
Liabilities payable from restricted assets	2,528,077	3,982,953	—	26,063	6,537,093	—
Long-term debt, less current maturities:						
Revenue bonds payable, net	4,421,049	72,809,625	—	2,591,621	79,822,295	—
Notes and capitalized lease obligations payable	15,310,000	15,134,502	—	—	30,444,502	—
Accrued landfill closure/postclosure care costs	—	—	13,189,577	—	13,189,577	—
Accrued compensated absences	421,624	688,800	159,074	82,852	1,352,350	115,754
Accrued claims and judgments	—	—	—	—	—	—
Total long-term debt	20,152,673	88,632,927	13,348,651	2,674,473	124,808,724	115,754
Total liabilities	30,038,105	96,582,582	13,915,641	3,873,748	144,410,076	3,760,771
Net assets:						
Investment in capital assets, net of related debt	59,256,469	95,760,100	11,599,484	3,494,248	170,110,301	182,325
Restricted for debt service	10,813,225	60,982,217	—	603,582	72,399,024	—
Unrestricted	3,772,971	33,270,736	(4,133,892)	(791,977)	32,117,838	(2,116,111)
Total net assets	\$ 73,842,665	190,013,053	7,465,592	3,305,853	274,627,163	(1,933,786)
Some of the amounts reported for business-type activities in the statement of net assets are different because certain internal service fund assets and liabilities are included with business-type activities					(74,646)	
Net assets of business-type activities					\$ 274,552,517	

See accompanying notes to basic financial statements.

**CITY OF SPRINGFIELD, MISSOURI**

Proprietary Funds Statement of Revenues, Expenses and Changes in Fund Net Assets  
Year ended June 30, 2003

	<b>Enterprise Funds</b>					<b>Internal Service Funds</b>
	<b>Regional Airport</b>	<b>Sanitary Sewerage System</b>	<b>Refuse Disposal</b>	<b>Nonmajor</b>	<b>Total</b>	
Operating revenues:						
Sewer service charges	\$ —	19,614,576	—	—	19,614,576	—
Sewer connection charges	—	655,146	—	—	655,146	—
Sale of fuel and oil	2,831,724	—	—	—	2,831,724	—
Flight fees, airport facility rental,B40 and other charges	5,974,851	—	—	—	5,974,851	—
Golf course fees	—	—	—	3,122,299	3,122,299	—
Landfill charges	—	—	3,540,307	—	3,540,307	—
Billings to departments	—	—	—	—	—	3,746,909
Contributions—city and employee	—	—	—	—	—	8,812,011
Other	14,331	250,000	—	—	264,331	5,582
Total operating revenues	8,820,906	20,519,722	3,540,307	3,122,299	36,003,234	12,564,502
Operating expenses:						
Personnel services	3,284,610	4,698,776	1,495,687	1,223,572	10,702,645	1,796,992
Other services	1,101,243	2,654,732	815,442	372,588	4,944,005	9,141,144
Supplies	1,404,103	1,147,416	327,348	610,349	3,489,216	1,182,703
Other expenses	382,596	646,754	—	—	1,029,350	61,034
Depreciation and amortization	3,351,416	7,000,623	793,617	366,897	11,512,553	46,923
Total operating expenses	9,523,968	16,148,301	3,432,094	2,573,406	31,677,769	12,228,796
Operating income (loss)	(703,062)	4,371,421	108,213	548,893	4,325,465	335,706
Nonoperating revenues (expenses):						
Interest	722,602	3,470,524	154,629	81,840	4,429,595	43,215
Interest on long-term debt	(1,555,749)	(3,152,403)	—	(161,046)	(4,869,198)	—
Administrative fees and other debt charges	(87,860)	(151,497)	—	(3,360)	(242,717)	—
Gain from sale of capital assets	—	3,067	11,109	2,350	16,526	—
Claims and settlements	(7,001)	(102,403)	—	—	(109,404)	—
Passenger facility charges	1,348,975	—	—	—	1,348,975	—
Other nonoperating income	—	328,141	1,171,344	10	1,499,495	—
Total nonoperating revenues (expenses)	420,967	395,429	1,337,082	(80,206)	2,073,272	43,215
Income (loss) before contributions and transfers	(282,095)	4,766,850	1,445,295	468,687	6,398,737	—
Contributions and grants	7,338,221	3,534,337	—	—	10,872,558	—
Transfers out	(100,000)	(853,895)	(86,876)	(15,717)	(1,056,488)	—
Change in net assets	6,956,126	7,447,292	1,358,419	452,970	16,214,807	378,921
Total net assets—beginning:						
Beginning of year	66,886,539	182,565,761	6,107,173	2,852,883	258,412,356	(2,312,707)
Net assets, end of year	\$ 73,842,665	190,013,053	7,465,592	3,305,853	274,627,163	(1,933,786)
Some of the amounts reported for business-type activities in the statement of activities are different because of the net revenue (expense) of certain internal service funds is reported with business-type activities					70,684	
Change in net assets of business-type activities					\$ 16,285,491	

See accompanying notes to basic financial statements.



**CITY OF SPRINGFIELD, MISSOURI**  
Proprietary Funds Statement of Cash Flows  
Year ended June 30, 2003

	Enterprise Funds					Internal Service Funds
	Regional Airport	Sanitary Sewerage System	Refuse Disposal	Nonmajor	Total	
Cash flows from operating activities:						
Cash received from customers	\$ 8,775,018	20,569,163	3,540,307	3,122,299	36,006,787	12,564,502
Cash paid to suppliers	(2,949,162)	(5,000,999)	(1,902,252)	(991,834)	(10,844,247)	(10,223,207)
Cash paid to employees	(3,263,455)	(4,797,371)	(1,496,470)	(1,225,182)	(10,782,478)	(1,789,114)
Other cash paid for nonoperating expenses	(94,861)	74,241	1,141,344	(301,838)	818,886	—
Net cash provided by operating activities	<u>2,467,540</u>	<u>10,845,034</u>	<u>1,282,929</u>	<u>603,445</u>	<u>15,198,948</u>	<u>552,181</u>
Cash flows from noncapital financing activities:						
transfers out	(100,000)	(853,895)	(86,876)	(15,717)	(1,056,488)	—
Net cash used in noncapital financing activities	<u>(100,000)</u>	<u>(853,895)</u>	<u>(86,876)</u>	<u>(15,717)</u>	<u>(1,056,488)</u>	<u>—</u>
Cash flows from capital and related financing activities:						
Principal payments on long-term debt	(9,917,700)	(3,420,595)	—	(298,048)	(13,636,343)	—
Proceeds from issuance of long-term debt	—	48,778,401	—	—	48,778,401	—
Interest paid on long-term debt obligations	(1,501,779)	(3,152,403)	—	(165,956)	(4,820,138)	—
Additions to property, plant, and equipment	(10,699,555)	(16,034,008)	(1,426,670)	(145,711)	(28,305,944)	(8,956)
(Increase) decrease in other restricted assets	1,431,683	(274,539)	—	—	1,157,144	—
Increase (decrease) in payables from restricted assets	579,309	2,197,278	—	(2,334)	2,774,253	—
Capital contributions	7,338,221	3,534,337	—	—	10,872,558	—
Passenger facility charges	1,348,975	—	—	—	1,348,975	—
Proceeds from sale of capital assets	—	3,067	11,109	2,350	16,526	—
Net cash provided by (used in) capital and related financing activities	<u>(11,420,846)</u>	<u>31,631,538</u>	<u>(1,415,561)</u>	<u>(609,699)</u>	<u>18,185,432</u>	<u>(8,956)</u>
Cash flows from investing activities:						
Interest received	745,121	3,657,966	217,159	81,840	4,702,086	47,613
Net cash provided by investing activities	<u>745,121</u>	<u>3,657,966</u>	<u>217,159</u>	<u>81,840</u>	<u>4,702,086</u>	<u>47,613</u>
Net increase (decrease) in cash and cash equivalents	(8,308,185)	45,280,643	(2,349)	59,869	37,029,978	590,838
Cash and cash equivalents, beginning of year	24,936,697	48,316,152	9,624,883	569,776	83,447,508	697,366
Cash and cash equivalents, end of year	<u>\$ 16,628,512</u>	<u>93,596,795</u>	<u>9,622,534</u>	<u>629,645</u>	<u>120,477,486</u>	<u>1,288,204</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
Operating income (loss)	\$ (703,062)	4,371,421	108,213	548,893	4,325,465	335,706
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:						
Depreciation and amortization	3,351,416	7,000,623	793,617	366,897	11,512,553	50,359
Other nonoperating expenses	(94,861)	74,241	1,171,344	(3,350)	1,147,374	—
(Increase) decrease in:						
Inventories	(9,524)	(166,407)	22,275	1,005	(152,651)	19,151
Accounts receivable	(48,091)	16,246	—	—	(31,845)	—
Due from other government agencies	—	35,424	—	—	35,424	—
Due from other funds	—	—	—	—	—	(128)
Unbilled revenue	—	(2,229)	—	—	(2,229)	—
Prepaid expenses	(7,023)	—	—	—	(7,023)	—
Increase (decrease) in:						
Accounts payable	(42,683)	(369,464)	370,157	(9,902)	(51,892)	10,076
Retainage payable	(1,990)	(16,226)	(10,626)	—	(28,842)	—
Deferred revenues	2,203	—	—	—	2,203	—
Due to other funds	—	—	—	(298,488)	(298,488)	(21,467)
Accrued landfill closure/postclosure care costs	—	—	(1,141,268)	—	(1,141,268)	—
Estimated liability for incurred but unreported claims	—	—	—	—	—	150,000
Accrued claims and judgments	—	—	(30,000)	—	(30,000)	—
Accrued compensated absences	21,155	(98,595)	(783)	(1,610)	(79,833)	8,484
Total adjustments	<u>3,170,602</u>	<u>6,473,613</u>	<u>1,174,716</u>	<u>54,552</u>	<u>10,873,483</u>	<u>216,475</u>
Net cash provided by operating activities	<u>\$ 2,467,540</u>	<u>10,845,034</u>	<u>1,282,929</u>	<u>603,445</u>	<u>15,198,948</u>	<u>552,181</u>

See accompanying notes to basic financial statements.

# CITY OF SPRINGFIELD, MISSOURI

## Fiduciary Funds Statement of Fiduciary Net Assets

June 30, 2003

<b>Assets</b>	<b>Pension Trust</b>	<b>Agency Funds</b>
Cash and short-term investments	\$ 12,413	9,841,329
Investments, at fair value:		
U.S. Government securities	32,335,461	—
Corporate and foreign bonds	34,117,464	—
Corporate and foreign stocks	44,491,858	—
Temporary investments	6,961,398	—
Property taxes receivable:		
Current	—	8,323,549
Delinquent	—	60,904
	—	8,384,453
Less allowance for uncollectible amounts	—	(326,546)
Net property taxes receivable	—	8,057,907
Accounts receivable	—	224,950
Accrued interest receivable	273,645	6,843
Due from other governments	—	14,489
Due from other funds	315,005	—
Total assets	118,507,244	18,145,518
<b>Liabilities</b>		
Accounts payable	\$ 18,972	4,677,735
Due to other funds	—	361,697
Due to other governments	—	12,305,006
Escrows payable	—	717,367
Municipal court bond deposits	—	83,713
Total liabilities	18,972	18,145,518
<b>Net assets</b>		
Held in trust for pension benefits and other purposes	\$ 118,488,272	—

See accompanying notes to basic financial statements.

# CITY OF SPRINGFIELD, MISSOURI

## Fiduciary Funds Statement of Changes in Fiduciary Net Assets

Year ended June 30, 2003

	<u>Pension Trust</u>
Additions:	
Contributions:	
Employer	\$ 5,196,810
Plan members	<u>2,560,157</u>
Total contributions	7,756,967
Investment earnings:	
Interest and dividends	108,911
Net increase in the fair value of investments	<u>10,499,346</u>
Total investment earnings	10,608,257
Less investment expense	<u>(724,943)</u>
Net investment earnings	<u>9,883,314</u>
Total additions	<u>17,640,281</u>
Deductions:	
Benefits	10,126,772
Refunds of contributions	1,162,740
Administrative expenses	<u>17,433</u>
Total deductions	<u>11,306,945</u>
Change in net assets	6,333,336
Net assets—beginning	<u>112,154,936</u>
Net assets—ending	<u>\$ 118,488,272</u>

See accompanying notes to basic financial statements.

## CITY OF SPRINGFIELD, MISSOURI

### Notes to Basic Financial Statements

June 30, 2003

#### (1) Summary of Significant Accounting Policies

##### (a) Reporting Entity

The City of Springfield, Missouri (the City) operates under the Council-Manager form of government with the Council consisting of the Mayor and eight Council members who are elected on a nonpartisan basis. The City provides a variety of general government services to residents including law enforcement, fire protection, community development, recreation, and various social services. Additionally, the City has several business-type operations that offer services associated with the regional airport, sanitary sewerage system, refuse disposal facilities, and municipal golf courses.

The financial reporting entity consists of the primary government and its component units, which are entities that the government is considered financially accountable. The determination of financial accountability includes consideration of a number of criteria, including: (1) the appointment of a voting majority of an entity's governing authority and the ability of the primary government to impose its will on the entity, (2) the potential for the entity to provide specific financial benefits to, or impose specific financial burdens on, the primary government, and (3) the entity's fiscal dependency on the primary government. Two types of component units are included within the government-wide financial statements:

**Blended Component Unit**—The following legally separate entity is a component unit, which is, in substance, a part of the City's general operations. This component unit provides services entirely, or almost entirely, to the primary government or provides services that exclusively, or almost exclusively, benefit the primary government. Data from this unit is combined with data of the primary government for financial reporting purposes.

*The Public Building Corporation of the City of Springfield, Missouri (PBC)*—The PBC, a not-for-profit corporation, was incorporated under the laws of the State of Missouri on October 2, 1989. The PBC was established to promote, acquire, develop, construct, and own facilities within the City of Springfield, Missouri, which are approved by the City Council for the purpose of promoting the economic, social, industrial, cultural, and commercial growth and for the general benefit of the City and its residents.

The board of directors of the corporation consists of nine persons appointed by the Mayor with the advice and consent of the City Council. Financial information for the PBC has been included within the governmental activities and governmental funds. Although it is legally separate from the City, the PBC is reported as if it were part of the primary government because its sole purpose is to finance the construction of various capital projects within the City. No separately issued financial statements are prepared for the PBC.

**Discretely Presented Component Unit**—The discretely presented component unit is presented separately in the government-wide financial statements to emphasize that it is legally separate from the primary government.

*City Utilities of Springfield, Missouri (City Utilities)*—City Utilities is a municipally-owned utility controlled by the Board of Public Utilities, which is appointed by the City Council in accordance with the City Charter.

## CITY OF SPRINGFIELD, MISSOURI

### Notes to Basic Financial Statements

June 30, 2003

City Council approves the rates for user charges, the annual budget plan, and bond issuance authorizations. Financial information for City Utilities is as of and for the year ended September 30, 2002. City Utilities elected to apply Financial Accounting Standards Board (FASB) statements and interpretations issued after November 30, 1989 for their proprietary operations, unless these pronouncements conflict with applicable Government Accounting Standards Board (GASB) guidance or pronouncements. City Utilities is comprised of the Public Utility (including the Electric, Gas, Transportation, and Telecommunications Departments) and the Water Department, which are controlled by the Board of Public Utilities.

As required in Section 16.11 of the City Charter, the City Utilities component unit follows, in all significant respects, accounting policies and procedures established for investor-owned gas and electric utilities by the Federal Energy Regulatory Commission (FERC) and for investor-owned water utilities by the National Association of Regulatory Utility Commissioners.

Complete financial statements for City Utilities are available from their general offices:

City Utilities of Springfield, Missouri  
301 East Central  
P. O. Box 551  
Springfield, Missouri 65801-0551

No other entities met the criteria for inclusion as component units of the City.

**Joint Venture**—Both the City and the City Utilities component unit (along with other participants) participate in a joint venture. The City's cumulative investment in the joint venture has been included in the capital assets of the governmental activities, while City Utilities' equity interest in the joint venture is reported within its discrete component unit presentation.

**(b) Government-wide and Fund Financial Statements**

The basic financial statements include both the government-wide (the Statement of Net Assets and the Statement of Activities) and fund financial statements.

**Government-wide Financial Statements:** The government-wide statements display information about the primary government and its component unit, except for fiduciary activities. For the most part, the interfund activity has been eliminated from these statements to minimize the duplication of internal activities. Governmental activities, which are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely on fees and charges for services for support.

In the government-wide Statement of Net Assets, both the governmental and business-type activities are each consolidated and presented on the full accrual, economic resources basis of accounting. The consolidated presentation incorporates long-term assets and receivables, as

## CITY OF SPRINGFIELD, MISSOURI

### Notes to Basic Financial Statements

June 30, 2003

well as long-term debt and obligations, and it provides valuable information for greater analysis and comparability.

The government-wide Statement of Activities presents a comparison between direct expenses and program revenues for each function of the City's governmental activities and for the business-type activities. Direct expenses are those that are specifically associated with a program or a function. Program revenues include (a) charges paid by recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meet operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

***Fund Financial Statements:*** Separate fund financial statements report information on the City's governmental, proprietary, and fiduciary funds, though the latter are excluded from the government-wide financial statements. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining funds are aggregated and reported as nonmajor funds in their respective categories.

Governmental fund financial statements use the current financial resources measurement focus and the modified accrual basis of accounting. Consequently, the emphasis on near-term inflows and outflows of resources do not present the long-term impact of transactions. Conversely, the proprietary fund statements incorporate the accrual basis of accounting and focus on the change in total economic resources. This presentation records long-term assets and liabilities, and recognizes revenues and expenses when transactions occur, regardless of their impact on the flow of cash. Since the accounting differs significantly between the governmental funds and the proprietary funds, it is necessary to convert the governmental fund data to arrive at the government-wide financial statements. Therefore, reconciliations have been provided following the Governmental Funds Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balance identifying categories that required conversion from the fund statements.

Operating activities of the proprietary funds include all transactions and other events that are not defined as capital and related financing, noncapital financing, or investing activities. More specifically, operating revenues consist of sales and charges for services. Operating expenses of the proprietary funds include personnel services, operating supplies and services incurred in conducting daily business.

The City reports the following major governmental funds:

**General Fund**—This fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

**Community Development**—This fund accounts for grants received from the Department of Housing and Urban Development (HUD) along with various revolving loans. The purpose of this fund is to improve neighborhoods in low- to moderate-income areas.

## CITY OF SPRINGFIELD, MISSOURI

### Notes to Basic Financial Statements

June 30, 2003

**Tourism Tax Community Improvement**—This fund accounts for the proceeds of the tourism (hotel/motel) tax approved by the citizens of Springfield on February 3, 1998 to be used to finance community improvements for a Civic Park, the American National Fish and Wildlife Living Museum and Aquarium, a Recreational Ice Complex, Dickerson Park Zoo, and not-for-profit local attractions such as, Discovery Center, and Gillioz and Landers Theaters.

The City reports the following major proprietary funds:

**Regional Airport**—This fund accounts for all operations and developmental improvements relating to the Springfield-Branson Regional Airport and the Ozark Airport site.

**Sanitary Sewerage System**—This fund accounts for the maintenance activities of the existing collection system and capital improvements pertaining to the Southwest Treatment Plant, Northwest Treatment Plant, lift stations, and phosphorus treatment facilities.

**Refuse Disposal**—This fund reports the activities and capital improvements for the Landfill, the Recycling Centers, and the Yardwaste Recycling Center.

The City reports the following fund types:

**Internal Service Funds**—These funds account for the costs of the Service Center Garage, the Print Shop, and the Self-Insurance Funds on a cost-reimbursement basis.

**Pension Trust Funds**—These funds account for monies held in trust by the City for pension benefits.

**Agency Funds**—These funds account for monies held on behalf of the Springfield-Greene County Library.

(c) *Assets, Liabilities, and Net Assets or Equity*

(1) **Deposits and Investments**

The City's investment policies are governed by the City Charter and management policies. City monies are deposited in FDIC-insured banks located within the state. The City is authorized to use demand and time deposits. Permissible investments include obligations of the U.S. Government, State of Missouri, City of Springfield, bonds, bills or notes guaranteed by the U.S., state or city governments, certificates of deposit, repurchase agreements, bankers acceptances, and commercial paper. The City purchases investments from SEC-registered broker-dealers and banks.

Collateral is pledged to secure the City's demand deposits and certificates of deposit. In accordance with the City Charter, collateral pledged must have a market value of at least 102% of deposits not covered by federal deposit insurance and may consist of the same type of obligations in which the City may invest. Obligations pledged to secure

## **CITY OF SPRINGFIELD, MISSOURI**

### **Notes to Basic Financial Statements**

June 30, 2003

deposits are delivered to the bank's joint custody account at the Federal Reserve Bank. Written custodial agreements are required that provide, among other things, that collateral be held separately from the assets of the custodial bank. At least quarterly, the City determines that the fair value of collateral pledged is adequate to cover deposits.

The City also maintains the Policemen and Firemen's Retirement Fund (the Pension Trust Fund), which is managed by a board of trustees. The Pension Trust Fund's investing activities are governed by the same state laws applicable to life insurance or casualty companies. The plan agreement specifies that no more than 35% of the Pension Trust Fund's assets may be invested in common stocks, with no more than 2% invested in the common stock of any one corporation nor more than 5% in small capital stocks. Investments are reported at fair value.

The City Utilities component unit also maintains cash and investment securities, which are carried at fair value plus accrued interest. Bond ordinances permit investments only in direct obligations of the U.S. Government, such as bills, notes or bonds, and any other obligations guaranteed as to payment of principal and interest by the U.S. Government or any agency or instrumentality thereof. City Utilities is also authorized to invest in repurchase agreements, for which the underlying securities must be U.S. Treasury notes, bonds, or bills. City Utilities' investment portfolio includes securities that are either insured or registered, or for which the securities are held by City Utilities' agents in City Utilities' name.

#### **(2) Receivables and Payables**

Activity between funds that are representative of borrowing/lending arrangements outstanding at the end of the fiscal year are referred to as either "due to /due from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All receivables are shown net of an allowance for doubtful accounts.

Property taxes are finalized and levied by September 1 and become delinquent after December 31 each year. The City contracts with Greene County (the County) to have its taxes billed, collected, and remitted each year. A lien attaches to all property on January 1 for which taxes are unpaid. The City pays the County 2% of collections plus \$10,000 per year as a fee for this service. City property tax revenue is recognized when assessed.

The City is permitted by state statute to levy taxes up to \$1 per \$100 of assessed valuation, for general government services. Specific amounts beyond the \$1 may be voted upon by the public to support certain types of operations. The City also has authority to levy taxes, without limit, to pay the annual principal and interest on general long-term debt as required.



## CITY OF SPRINGFIELD, MISSOURI

### Notes to Basic Financial Statements

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The tax levy, per \$100 assessed valuation, for the City during the fiscal year was as follows:

Parks department	\$	0.1800
Health department		0.1100
Art museum		0.0393
Debt service		0.2700
Total tax levy	\$	<u>0.5993</u>

#### (3) Inventories and Prepaid Items

Inventories are stated at cost, which approximates market, using the first-in, first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

Materials, supplies inventories, and gas stored underground for the City Utilities component unit, are stated at average cost. Coal inventory is stated at cost using the last-in, first-out (LIFO) method. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

#### (4) Restricted Assets

Certain proceeds of the City's bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the applicable balance sheets and statement of net assets because they are maintained in separate bank accounts and their use is limited by applicable bond covenants.

#### (5) Capital Assets

Capital assets include land, buildings, improvements, equipment, and infrastructure assets (e.g., roads, bridges storm sewers, and similar items) and are included in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets, excluding land, are defined by the City as assets with a cost of \$2,000 or greater and an estimated useful life of at least one year. All land purchases are capitalized regardless of cost. All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair market value on the date received. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Historically, governmental infrastructure assets have not been capitalized and reported in the financial statements. In conformity with GASB Statement No. 34, infrastructure, such as streets, intersections, and storm sewers, completed in the current year has been capitalized. Additionally, the City elected to depreciate its infrastructure assets. Infrastructure assets not completed by year-end have been reported as construction in progress. Retroactive reporting of the City's major infrastructure assets extends only to

## CITY OF SPRINGFIELD, MISSOURI

### Notes to Basic Financial Statements

June 30, 2003

the assets that were completed in the current year, in which prior year costs for such projects were included. All other retroactive reporting of infrastructure assets will occur by the year ending June 30, 2006.

Major outlays for capital improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of the business-type activities is included as part of the capitalized value of the assets constructed. Costs for the City Utilities component unit's utility plant additions include the cost of material, labor, vehicle and equipment usage, related overhead items, capitalized interest, and administrative and general expenses.

Property, plant, equipment, and infrastructure is depreciated using the straight-line method over the following estimated lives:

	<u>Years</u>
Primary government:	
Buildings	5 to 50
Improvements other than buildings	5 to 50
Sewer plant and collection system	40
Machinery and equipment	3 to 20
Infrastructure	30 to 50
City Utilities component unit:	
Electric utility plant	33
Gas utility plant	33
Transportation plant and equipment	15
Water utility plant	50
Common plant and equipment	27

#### (6) **Compensated Absences**

All vested or accumulated vacation, scheduled holiday leave, and vested accumulated sick leave is accrued when incurred in the government-wide and proprietary financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

#### (7) **Long-term Obligations**

In the government-wide financial statements and proprietary fund financial statements, long-term debt and obligations are reported in the Statement of Net Assets as liabilities in the applicable governmental and business-type categories. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

## **CITY OF SPRINGFIELD, MISSOURI**

### **Notes to Basic Financial Statements**

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In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**(8) Fund Balances**

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for specific purposes. Designation of fund balances represent tentative plans for future use of financial resources that are subject to change.

**(9) Unbilled Revenue**

Both the City's Sanitary Sewerage System and the City Utilities component unit bill their customers on a cyclical basis and, therefore, record estimated unbilled revenues at year end less accounts receivable.

**(10) Electric Fuel and Purchased Gas Adjustments—City Utilities Component Unit**

General Ordinance No. 3243 requires City Utilities to adjust monthly customers' electric and gas bills to compensate for changes in the cost of electric fuel, purchased power, and purchased gas. An over-recovery of \$6,270,000 for electric fuel and an over-recovery of \$777,000 for purchased gas adjustment clauses were recorded at September 30, 2002.

**(11) Capitalization of Interest**

Net interest costs related to acquisition or construction is capitalized as part of the cost of the related asset for the business-type and proprietary activities of the City and City Utilities component unit. Total interest costs incurred by the City were \$14,889,923, of which \$13,568,149 was capitalized. Total interest costs incurred by the City Utilities component unit were \$7,994,000, of which \$2,278,000 was capitalized.

**(12) Designated Improvement Account Investments—City Utilities Component Unit**

City Ordinance Nos. 18672 and 18673, which established electric and gas rates effective September 20, 1979, and City Ordinance No. 3258, which established electric rates effective February 24, 1982, provided that a portion of revenues generated by such rate increases be segregated and utilized for certain specified capital projects and to develop a desired level of working capital. The rates established in City Ordinance No. 3258 were extended by City Ordinance No. 3508 to March 31, 1991. City Ordinance No. 3978, dated December 19, 1988, incorporates these rates into the base rates effective April 1, 1991. Funds accumulated are available to cover operating expenses, principal and interest payments, and other requirements as established by the Public Utility Revenue Bonds, Refunding Series of 1977.

## CITY OF SPRINGFIELD, MISSOURI

### Notes to Basic Financial Statements

June 30, 2003

Under certain prior financing agreements, the Public Utility was required to maintain funds in the designated improvement account equal to the sum of outstanding principal or the scheduled subsequent years' principal and interest payments as specified under the agreements. New rates enacted by City Ordinance No. 4125, dated June 4, 1990, establish electric, gas, and water revenue adjustment schedules. The revenues generated will contribute to the funding of major capital projects relating to Clean Air Act Amendments of 1990 requirements and natural gas transmission and supply.

Other designated funds include funds set aside for self-insurance reserves and major project funding for long-range plans. A summary of the designated improvement account, which consists of U.S. Government obligations, is as follows:

	<b>September 30, 2002</b>
Funds restricted under City ordinance due to rate increases	\$ 5,673,000
Other designated funds:	
Reserve funds	92,739,000
Funds held for future improvements	14,615,000
Project construction accounts	—
Total	<u>\$ 113,027,000</u>

#### (13) Interfund and Related Party Transactions

Transactions between the City's various funds are accounted for as revenues and expenditures or expenses in the funds involved if they are similar to transactions with organizations external to City government. All transactions between City Utilities and the City are also treated in this manner. The operations of City Utilities for the year ended September 30, 2002 reflect payments in lieu of taxes to the City of \$7,974,000.

In addition, City Utilities also provides services such as energy for street lighting and other electric, gas, and water services without charge to the City. The cost of providing such services was approximately \$7,502,000 in 2002.

#### (14) Net Assets

In the government-wide and proprietary fund financial statements, equity is displayed in three components as follows:

***Invested in Capital Assets, Net of Related Debt***—This consists of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

***Restricted***—This consists of net assets that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

## CITY OF SPRINGFIELD, MISSOURI

### Notes to Basic Financial Statements

June 30, 2003

*Unrestricted*—This consists of net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

#### (2) Detailed Notes on all Funds

##### (a) *Deposits and Investments*

The City maintains a cash and investment pool that is available for use by all funds. The pool is comprised of deposits, repurchase agreements, and other investments with maturities of primarily less than one year. At June 30, 2003, the bank balance of the City’s deposits was \$372,796.93, which was covered by federal depository insurance or by collateral held by the City’s agent in the City’s name. A difference exists between bank and book balances due to deposits in transit and other reconciling items.

The City Utilities component unit bank balance was \$14,058,000, which was covered by federal depository insurance or by collateral held by City Utilities’ agents in City Utilities’ name.

The fair value of City Utilities’ investments was approximately \$171,563,000. City Utilities has securities pledged by US Bank of Springfield, Missouri. These securities have a market value of at least 102% of the amount of total deposits in excess of \$100,000 in accordance with the City Charter, Section 19.13.

The City’s investments are categorized into these three categories of credit risk:

- (1) Insured or registered, or securities held by the City or its agent in the City’s name.
- (2) Uninsured and unregistered, with securities held by the counterparty’s trust department or agent in the City’s name.
- (3) Uninsured and unregistered with securities held by the counterparty, or held by its trust department or agent, but not in the City’s name.

# CITY OF SPRINGFIELD, MISSOURI

## Notes to Basic Financial Statements

June 30, 2003

At year end, the City's investment and book balances were as follows:

	Categories			Reported amount/ fair value
	1	2	3	
U.S. Treasury securities	\$ 67,099,019	—	—	67,099,019
Federal agency obligations	67,770,925	—	—	67,770,925
Corporate bonds	34,117,465	—	—	34,117,465
Common stocks	44,491,858	—	—	44,491,858
Repurchase agreements	—	10,000,000	—	10,000,000
Total	<u>\$ 213,479,267</u>	<u>10,000,000</u>	<u>—</u>	<u>223,479,267</u>
Investments not subject to categorization:				
Temporary investments—Policemen and Firemen's Retirement System				6,961,398
Temporary investments (guaranteed investment contracts)—City				138,625,542
Book balance of cash and deposits				<u>3,889,998</u>
Total cash and investments				<u>\$ 372,956,205</u>

Deposits and investments of the City are reflected in the government-wide financial statements as follows:

	Government-wide Statement Of Net Assets	Fiduciary Funds Statement Of Net Assets	Total
Pooled cash and investments	\$ 161,709,382	127,759,923	289,469,305
Restricted assets	<u>83,486,900</u>	<u>—</u>	<u>83,486,900</u>
Total	<u>\$ 245,196,282</u>	<u>127,759,923</u>	<u>372,956,205</u>

# CITY OF SPRINGFIELD, MISSOURI

## Notes to Basic Financial Statements

June 30, 2003

At year-end, City Utilities' investments were all category 1. In accordance with City ordinances, City Utilities maintained \$34,637,000 in escrow for bonded indebtedness at September 30, 2002.

### (b) Capital Assets

Capital asset activity for the year ended June 30, 2003, was as follows:

#### Primary Government

##### Governmental Activities

	Balance June 30, 2002	Additions	Deductions	Balance June 30, 2003
Non depreciable capital assets:				
Land	\$ 22,587,765	690,366	—	23,278,131
Construction in progress	35,861,016	32,883,804	—	68,744,820
Total non depreciable capital assets	58,448,781	33,574,170	—	92,022,951
Depreciable capital assets:				
Buildings	30,951,634	—	—	30,951,634
Improvement other than buildings	11,523,107	584,281	—	12,107,388
Machinery and equipment	28,253,211	6,302,646	(1,114,086)	33,441,771
Infrastructure	47,238,042	11,921,145	—	59,159,187
Total depreciable capital assets	117,965,994	18,808,072	(1,114,086)	135,659,980
Less accumulated depreciation:				
Buildings	(9,802,495)	(717,222)	—	(10,519,717)
Improvement other than buildings	(6,417,785)	(430,455)	—	(6,848,240)
Machinery and equipment	(18,859,069)	(3,936,156)	1,026,736	(21,768,489)
Infrastructure	(3,774,679)	(2,067,037)	—	(5,841,716)
Total accumulated depreciation	(38,854,028)	(7,150,870)	1,026,736	(44,978,162)
Total depreciable capital assets, net	79,111,966	11,657,202	(87,350)	90,681,818
Total governmental activities capital assets	\$ 137,560,747	45,231,372	(87,350)	182,704,769

Depreciation expense was charged to functions as follows:

General government	\$ 1,020,133
Public safety	2,004,313
Public works	3,179,809
Parks and recreation	764,798
Planning and development	32,465
Public health	98,994
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	50,358
Total depreciation expense—governmental activities	\$ 7,150,870

# CITY OF SPRINGFIELD, MISSOURI

## Notes to Basic Financial Statements

June 30, 2003

	<u>Balance</u> <u>June 30, 2002</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2003</u>
Business-Type Activities				
Regional Airport Fund:				
Non depreciable capital assets:				
Land	\$ 7,401,874	—	—	7,401,874
Construction in progress	<u>28,610,739</u>	<u>10,550,050</u>	<u>(189,046)</u>	<u>38,971,743</u>
Total non depreciable capital assets	<u>36,012,613</u>	<u>10,550,050</u>	<u>(189,046)</u>	<u>46,373,617</u>
Depreciable capital assets:				
Buildings	27,670,309	—	(3,899)	27,666,410
Improvement other than buildings	39,965,911	170,653	(14,883)	40,121,681
Machinery and equipment	<u>7,289,890</u>	<u>167,898</u>	<u>(142,431)</u>	<u>7,315,357</u>
Total depreciable capital assets	74,926,110	338,551	(161,213)	75,103,448
Less accumulated depreciation:				
Buildings	(8,324,449)	(1,250,565)	3,899	(9,571,115)
Improvement other than buildings	(20,814,837)	(1,552,813)	14,883	(22,352,767)
Machinery and equipment	<u>(3,257,558)</u>	<u>(548,038)</u>	<u>142,431</u>	<u>(3,663,165)</u>
Total accumulated depreciation	<u>(32,396,844)</u>	<u>(3,351,416)</u>	<u>161,213</u>	<u>(35,587,047)</u>
Total depreciable capital assets, net	<u>42,529,266</u>	<u>(3,012,865)</u>	<u>—</u>	<u>39,516,401</u>
Total regional airport capital assets	<u>78,541,879</u>	<u>7,537,185</u>	<u>(189,046)</u>	<u>85,890,018</u>
Sanitary Sewerage System Fund:				
Non depreciable capital assets:				
Land	1,035,643	1,103,665	—	2,139,308
Construction in progress	<u>10,218,965</u>	<u>10,795,967</u>	<u>(7,789,041)</u>	<u>13,225,891</u>
Total non depreciable capital assets	<u>11,254,608</u>	<u>11,899,632</u>	<u>(7,789,041)</u>	<u>15,365,199</u>
Depreciable capital assets:				
Buildings	62,301,315	—	—	62,301,315
Sewer Collection System	191,745,823	11,419,846	—	203,165,669
Improvement other than buildings	9,459,873	6,417	—	9,466,290
Machinery and equipment	<u>4,155,219</u>	<u>497,885</u>	<u>(111,950)</u>	<u>4,541,154</u>
Total depreciable capital assets	267,662,230	11,924,148	(111,950)	279,474,428



# CITY OF SPRINGFIELD, MISSOURI

## Notes to Basic Financial Statements

June 30, 2003

	<b>Balance</b>			<b>Balance</b>
	<b>June 30, 2002</b>	<b>Additions</b>	<b>Deductions</b>	<b>June 30, 2003</b>
Less accumulated depreciation:				
Buildings	(35,152,412)	(1,473,658)	—	(36,626,070)
Sewer Collection System	(60,616,886)	(4,966,203)	—	(65,583,089)
Improvement other than buildings	(1,492,101)	(261,029)	—	(1,753,130)
Machinery and equipment	(3,273,582)	(299,733)	111,219	(3,462,096)
	<u>(100,534,981)</u>	<u>(7,000,623)</u>	<u>111,219</u>	<u>(107,424,385)</u>
Total accumulated depreciation				
Total depreciable capital assets, net	<u>167,127,249</u>	<u>4,923,525</u>	<u>(730)</u>	<u>172,050,044</u>
Total sanitary sewerage system capital assets	<u>178,381,857</u>	<u>16,823,156</u>	<u>(7,789,771)</u>	<u>187,415,242</u>
Refuse Disposal Fund:				
Nondepreciable capital assets:				
Land	1,948,908	152,633	—	2,101,541
Construction in progress	<u>464,997</u>	<u>1,012,667</u>	<u>(1,438,559)</u>	<u>39,105</u>
Total nondepreciable capital assets	<u>2,413,905</u>	<u>1,165,300</u>	<u>(1,438,559)</u>	<u>2,140,646</u>
Depreciable capital assets:				
Buildings	921,576	—	—	921,576
Improvement other than buildings	9,473,814	1,307,756	—	10,781,570
Machinery and equipment	<u>5,621,155</u>	<u>410,400</u>	<u>(383,358)</u>	<u>5,648,197</u>
Total depreciable capital assets	<u>16,016,545</u>	<u>1,718,156</u>	<u>(383,358)</u>	<u>17,351,343</u>
Less accumulated depreciation:				
Buildings	(258,763)	(34,964)	—	(293,727)
Improvement other than buildings	(3,116,050)	(323,249)	—	(3,439,299)
Machinery and equipment	<u>(4,089,206)</u>	<u>(435,404)</u>	<u>365,131</u>	<u>(4,159,479)</u>
Total accumulated depreciation	<u>(7,464,019)</u>	<u>(793,617)</u>	<u>365,131</u>	<u>(7,892,505)</u>
Total depreciable capital assets, net	<u>8,552,526</u>	<u>924,539</u>	<u>(18,227)</u>	<u>9,458,838</u>
Total refuse disposal capital assets	<u>10,966,431</u>	<u>2,089,839</u>	<u>(1,456,786)</u>	<u>11,599,484</u>

# CITY OF SPRINGFIELD, MISSOURI

## Notes to Basic Financial Statements

June 30, 2003

	<u>Balance</u> <u>June 30, 2002</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2003</u>
Nonmajor Enterprise Fund:				
Nondepreciable capital assets:				
Land	380,661	—	—	380,661
Total nondepreciable capital assets	380,661	—	—	380,661
Depreciable capital assets:				
Buildings	575,225	—	—	575,225
Improvement other than buildings	7,541,400	—	—	7,541,400
Machinery and equipment	946,834	157,686	(113,701)	990,819
Total depreciable capital assets	9,063,459	157,686	—	9,107,444
Less accumulated depreciation:				
Buildings	(230,704)	(12,857)	—	(243,561)
Improvement other than buildings	(1,931,632)	(245,102)	—	(2,176,734)
Machinery and equipment	(660,381)	(108,938)	101,726	(667,593)
Total accumulated depreciation	(2,822,717)	(366,897)	101,726	(3,087,888)
Total depreciable capital assets, net	6,240,742	(209,211)	(11,975)	6,019,556
Total other enterprise capital assets	6,621,403	(209,211)	(11,975)	6,400,217
Total business-type activities capital assets	\$ 274,511,570	26,240,969	(9,447,578)	291,304,961

Depreciation expense was charged to functions as follows:

Regional airport	\$ 3,351,416
Sanitary sewerage system	7,000,623
Refuse disposal	793,617
Nonmajor enterprise funds	366,897
Total depreciation expense—business-type activities	\$ 11,512,553

# CITY OF SPRINGFIELD, MISSOURI

## Notes to Basic Financial Statements

June 30, 2003

**(c) Long-term Obligations**

The following is a summary of changes in long-term debt of the City for the year ended June 30, 2003:

	Beginning balance	Additions	Reductions	Ending balance	Amounts due within one year
<b>Governmental activities</b>					
General obligation bonds	\$ 110,834,587	48,570,000	13,985,360	145,419,227	10,397,138
Plus bond premium	<u>570,565</u>	<u>199,240</u>	<u>134,005</u>	<u>635,800</u>	<u>—</u>
Total bonds payable	111,405,152	48,769,240	14,119,365	146,055,027	10,397,138
Notes payable	4,000,000	—	—	4,000,000	—
Capital lease obligations	529,362	—	185,810	343,552	193,373
Accrued claims and judgments	909,500	200,469	502,500	607,469	—
Accrued compensated absences	<u>11,859,704</u>	<u>552,710</u>	<u>468,576</u>	<u>11,943,838</u>	<u>1,843,913</u>
Total governmental activities long-term liabilities	<u>\$ 128,703,718</u>	<u>49,522,419</u>	<u>15,276,251</u>	<u>162,949,886</u>	<u>12,434,424</u>
<b>Business-type activities</b>					
Regional Airport Fund:					
Revenue bonds	\$ 5,580,000	—	500,000	5,080,000	520,000
Less deferred amount on refunding	<u>176,186</u>	<u>—</u>	<u>37,235</u>	<u>138,951</u>	<u>—</u>
Total revenue bonds	5,403,814	—	462,765	4,941,049	520,000
Notes payable	31,110,200	—	9,417,700	21,692,500	6,382,500
Compensated absences	<u>459,931</u>	<u>48,226</u>	<u>27,071</u>	<u>481,086</u>	<u>59,462</u>
Total Regional Airport Fund	<u>36,973,945</u>	<u>48,226</u>	<u>9,907,536</u>	<u>27,114,635</u>	<u>6,961,962</u>
Sanitary Sewerage System Fund:					
Revenue bonds	31,462,864	43,625,000	2,327,593	72,760,271	2,498,515
Plus bond premium	<u>—</u>	<u>2,547,868</u>	<u>—</u>	<u>2,547,868</u>	<u>—</u>
Total revenue bonds	31,462,864	46,172,868	2,327,593	75,308,139	2,498,515
Notes payable	14,834,472	2,605,533	1,093,002	16,347,003	1,212,500
Compensated absences	<u>896,599</u>	<u>47,807</u>	<u>146,402</u>	<u>798,004</u>	<u>109,204</u>
Total Sanitary Sewerage System Fund	<u>47,193,935</u>	<u>48,826,208</u>	<u>3,566,997</u>	<u>92,453,146</u>	<u>3,820,219</u>
Refuse Disposal Fund:					
Accrued landfill closure/postclosure care costs	14,330,845	—	1,141,268	13,189,577	—
Compensated absences	188,523	16,513	17,296	187,740	28,666
Accrued claims and judgments	<u>30,000</u>	<u>—</u>	<u>30,000</u>	<u>—</u>	<u>—</u>
Total Refuse Disposal Fund	<u>14,549,368</u>	<u>16,513</u>	<u>1,188,564</u>	<u>13,377,317</u>	<u>28,666</u>
Nonmajor Enterprise Fund:					
Revenue bonds	3,204,017	—	298,048	2,905,969	314,348
Compensated absences	<u>93,143</u>	<u>506</u>	<u>2,116</u>	<u>91,533</u>	<u>8,681</u>
Total other Enterprise Funds	<u>3,297,160</u>	<u>506</u>	<u>300,164</u>	<u>2,997,502</u>	<u>323,029</u>
Total business-type activities long-term liabilities	<u>\$ 102,014,408</u>	<u>48,891,453</u>	<u>14,963,261</u>	<u>135,942,600</u>	<u>11,133,876</u>

Internal Service Funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year end, \$155,897 of Internal Service Funds for compensated absences are included in the above amounts.

# CITY OF SPRINGFIELD, MISSOURI

## Notes to Basic Financial Statements

June 30, 2003

Debt service requirements on long-term debt at June 30, 2003 are as follows:

<b>Governmental activities</b>					
<b>General obligation bonds</b>			<b>Notes payable</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	
2004	\$ 10,397,138	7,387,171	—	100,000	
2005	9,010,598	6,777,646	—	100,000	
2006	11,067,105	6,148,976	4,000,000	100,000	
2007	9,999,153	5,602,932	—	—	
2008	6,524,295	5,221,217	—	—	
2009 – 2013	28,773,570	21,689,933	—	—	
2014 – 2018	27,860,903	15,021,023	—	—	
2019 – 2023	21,218,289	8,031,468	—	—	
2024 – 2028	19,008,875	2,744,380	—	—	
2029 – 2030	1,559,301	15,877	—	—	
	<b>\$ 145,419,227</b>	<b>78,640,623</b>	<b>4,000,000</b>	<b>300,000</b>	

<b>Enterprise funds</b>					
<b>Regional Airport</b>					
<b>Revenue bonds</b>			<b>Notes payable</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	
2004	\$ 520,000	234,688	6,382,500	998,384	
2005	545,000	212,587	4,535,000	712,664	
2006	570,000	189,153	600,000	519,926	
2007	600,000	164,357	445,000	496,676	
2008	625,000	137,958	395,000	478,876	
2008 – 2013	1,640,000	305,975	2,250,000	2,121,727	
2014 – 2018	580,000	91,800	2,885,000	1,498,300	
2019 – 2020	—	—	4,200,000	386,500	
	<b>\$ 5,080,000</b>	<b>1,336,518</b>	<b>21,692,500</b>	<b>7,213,053</b>	

# CITY OF SPRINGFIELD, MISSOURI

## Notes to Basic Financial Statements

June 30, 2003

<b>Sanitary Sewerage System</b>					
		<b>Revenue bonds</b>		<b>Notes payable</b>	
		<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
2004	\$	2,498,515	4,461,782	1,212,500	—
2005		2,654,427	3,951,974	1,286,100	—
2006		3,333,306	3,761,982	1,720,700	—
2007		3,664,273	3,550,756	1,915,300	—
2008		4,001,174	3,320,447	2,106,900	—
2009 – 2013		19,253,204	12,766,809	6,964,391	—
2014 – 2018		18,565,372	7,376,028	1,070,000	—
2019 – 2023		18,790,000	2,425,325	71,112	—
	\$	<u>72,760,271</u>	<u>41,615,103</u>	<u>16,347,003</u>	<u>—</u>

<b>Nonmajor funds</b>		
<b>Revenue bonds</b>		
	<b>Principal</b>	<b>Interest</b>
2004	\$ 314,348	148,832
2005	332,975	133,130
2006	358,589	116,007
2007	365,575	97,629
2008	386,531	77,972
2009 – 2013	1,015,226	125,429
2014 – 2015	<u>132,725</u>	<u>7,899</u>
	\$ <u>2,905,969</u>	<u>706,898</u>

## CITY OF SPRINGFIELD, MISSOURI

### Notes to Basic Financial Statements

June 30, 2003

General obligation bonds payable at June 30, 2003 are comprised of the following individual issues:

3.80% to 5.90% Public Building Corporation of the City of Springfield, MO Leasehold Revenue Bonds, Series 1995, (Tennis Facility) due through November 1, 2014, callable in inverse order of maturity on or after November 1, 2005, at premiums beginning at 102% of the principal amount decreasing ratably over the term of the bonds to 100% on November 1, 2009	\$ 2,099,760
3.80% to 5.80% General Obligation Refunding Bonds, Series 1993, due through April 1, 2009, callable on or after April 1, 2001, through March 31, 2002, at par plus premium of 1% at par after April 1, 2002	2,310,000
3.40% to 6.40% Public Building Corporation of the City of Springfield, MO Leasehold Improvement Revenue Bonds, Series 1992, (Tennis Facility) due through September 1, 2007, callable in inverse order of maturity on or after September 1, 2002, at premiums beginning at 101.5% of the principal amount decreasing ratably over the term of the bonds to 100% on September 1, 2006	570,000
3.70% to 5.35% Public Building Corporation of the City of Springfield, MO Leasehold Revenue Refunding Bonds, Series 1997 (Busch Building Project) due through December 1, 2010, callable on or after December 1, 2005, at premiums beginning at 101% of the principal amount decreasing to 100% on December 1, 2006	4,105,000
3.85% to 5.0% Public Building Corporation of the City of Springfield, MO Leasehold Revenue Bonds, Series 1998 (Civic Park Recreation Project) due through June 1, 2018, callable in inverse order of maturity on or after June 1, 2008, at premiums beginning at 102% of the principal amount decreasing ratably over the term of the bonds to 100% on June 1, 2012	8,215,000
5.3% to 5.85% Public Building Corporation of the City of Springfield, MO Leasehold Revenue Bonds, Series 2000A (Jordan Valley Park Projects) due through June 1, 2021, callable in inverse order of maturity on or after June 1, 2015, at 100% of the principal amount	5,916,467
5.0% to 5.85% Public Building Corporation of the City of Springfield, MO Leasehold Revenue Bonds, Series 2000B (Recreational Ice Facility) due through June 1, 2021, callable in reverse order of maturity on or after June 1, 2015, at 100% of the principal amount	8,765,000
5.0% to 5.5% City of Springfield, Missouri, Certificates of Participation Series 2000 ( City of Springfield, Missouri Law Enforcement Communication System Project) due through June 1, 2006, at 101% of the principal amount decreasing ratably over the term of the bonds to 100% on June 1, 2009	6,640,000

## CITY OF SPRINGFIELD, MISSOURI

### Notes to Basic Financial Statements

June 30, 2003

5.0% to 5.05% City of Springfield, Missouri, State Highway Improvement Corporation Transportation Revenue Bonds Series 1999 due through August 1, 2005	3,303,000
5.0% to 5.5% Public Building Corporation of the City of Springfield, Missouri, Leasehold Revenue Bonds (Stormwater/Warning System/Firestation) due through June 1, 2019, callable in inverse order of maturity on or after June 1, 2009, at 101% of the principal amount decreasing ratably over the term of the bonds to 100% on June 2, 2011	16,000,000
4.1% to 4.3% General Obligation Stormwater Improvement Bonds, Series 2001A. Not subject to optional redemption, due through May 1, 2011	3,340,000
4.1% to 5.0% General Obligation Sewer Improvement Bonds Series 2001B, callable in inverse order of maturity on or after May 1, 2011, at premiums beginning at 101% of the principal amount decreasing ratably over the term of the bonds to 100% on May 1, 2013	2,810,000
4.0% to 5.0% Public Building Corporation of the City of Springfield, Missouri, Leasehold Revenue Bonds, Series 2001A, (Capital Improvement LPT Projects) due through May 1, 2016, callable in inverse order of maturity on or after May 1, 2011, at 100% of the principal amount	7,195,000
4.0% to 5.5% Public Building Corporation of the City of Springfield, Missouri, Leasehold Revenue Bonds, Series May 1, 2021, callable in inverse order of maturity on or after May 1, 2016, at 100% of the principal amount	3,770,000
3.25% to 4.25% City of Springfield, Missouri, Certificates of Participation Series 2001, (Partnership Industrial Center West Project), due through September 1, 2011, callable in reverse order of maturity on or after September 1, 2007, at 100 % of the principal amount	4,080,000
1.65% to 4.0% City of Springfield, Missouri, Certificates of Participation Series 2002 (ERP System Project). Not subject to optional redemption, due through February 1, 2009	2,915,000
1.6% to 4.75% City of Springfield, Missouri, Certificates of Participation (Springfield/Greene County Park Board Land Acquisition and Development Project), Series 2002. Not subject to optional redemption, due through December 1, 2006	15,380,000
2.95% to 5.0% Springfield Center City Development Corporation Leasehold Revenue Bonds, Series 2002A, (Jordan Valley Park—Exposition Center Project), due through June 1, 2027, callable on or after June 1, 2012, at par	19,375,000

## CITY OF SPRINGFIELD, MISSOURI

### Notes to Basic Financial Statements

June 30, 2003

7.52% Springfield Center City Development Corporation Taxable Revenue Bonds, Series 2002B, (Jordan Valley Park - Baseball Stadium Project), due through June 1, 2028, callable in inverse order of maturity on or after December 1, 2017, at premiums beginning at 104% of the principal amount decreasing ratably over the term of the bonds to 100% on December 1, 2021	6,130,000
7.52% Springfield Center City Development Corporation Taxable Revenue Bonds, Series 2002C, (Jordan Valley Park Project), due through June 1, 2028 callable in inverse order of maturity on or after December 1, 2017, at premiums beginning at 104% of the principal amount decreasing ratably over the term of the bonds to 100% on December 1, 2021	5,470,000
3.15% to 4.3% Springfield Center City Development Corporation Leasehold Revenue Bonds, Series 2002D, (Jordan Valley Park—Parking Garage Project), due through November 1, 2028, callable on or after November 1, 2011, at par	8,190,000
3.15% to 4.7% Springfield Center City Development Corporation Taxable Revenue Bonds, Series 2002E, (Jordan Valley Park—Parking Garage Project). Not subject to optional redemption, due through November 1, 2010	850,000
1.6% to 3.8% Public Building Corporation of the City of Springfield, Missouri, Leasehold Revenue Bonds, Series 2002, (Capital Improvement LPT Projects), due through June 1, 2017, callable on or after June 1, 2012, at par	7,990,000
Total general obligation bonds	<u>\$ 145,419,227</u>



# CITY OF SPRINGFIELD, MISSOURI

## Notes to Basic Financial Statements

June 30, 2003

Revenue bonds payable at June 30, 2003 are comprised of the following individual issues:

**Regional Airport Fund:**

3.70% to 5.10% Pubic Building Corporation of the City of Springfield, MO  
Leasehold Revenue Refunding and Improvement Bonds, Series 1998  
(Springfield-Branson Regional Airport Improvement Projects), due  
March 1, 2018; bonds maturing on March 1, 2010, shall be subject to  
redemption beginning March 1, 2009, at 100% in inverse order of  
maturity; bonds maturing on March 1, 2018, shall be subject to  
redemption beginning March 1, 2011, and on each March 1 thereafter to  
and including March 1, 2018, at 100% in inverse order of maturity \$ 5,080,000

**Sanitary Sewerage System Fund:**

3.80% to 5.90% Public Building Corporation of the City of Springfield, MO  
Leasehold Revenue Bonds, Series 1995, (Sanitary Sewer Improvements) due  
through November 1, 2014, callable in inverse order of maturity on or after  
November 1, 2005, at premiums beginning at 102% of the principal amount  
decreasing ratably over the term of bonds to 100% on November 1, 2009 1,234,271

6.00% to 7.00% State Environmental Improvement and Energy Resources  
Authority (State of Missouri) Water Pollution Control Revenue Bonds  
(State Revolving Fund Program), Series 1990A, due through October 1, 2010 18,770,000

4.90% to 6.55% State Environmental Improvement and Energy Resources  
Authority (State of Missouri) Water Pollution Control Revenue Bonds  
(State Revolving Program—Multiple Participant Series), Series 1992A,  
due through July 1, 2014 6,720,000

5.25% to 7.20% State Environmental Improvement and Energy Resources  
Authority (State of Missouri) Water Pollution Control Revenue Bonds  
(State Revolving Program—Multiple Participant Series), Series 1994B,  
due through July 1, 2018 1,091,000

3.45% to 5.00 % State Environmental Improvement and Energy Resources  
Authority (State of Missouri) Water Pollution Control and Drinking Water  
Revenue Bonds State Revolving Fund—Master Trust Series, 1998B,  
due through January 1, 2022 1,320,000

2.375% to 5.00 % State Environmental Improvement and Energy Resources  
Authority (State of Missouri) Water Pollution Control and Drinking Water  
—  
due through July 1, 2022 43,625,000

**Nonmajor Enterprise Fund:**

3.80% to 5.90% Public Building Corporation of the City of Springfield, MO  
Leasehold Revenue Bonds, Series 1995, (Golf Course Improvements) due  
through November 1, 2014, callable in inverse order of maturity on or  
after November 1, 2005, at premiums beginning at 102% of the principal  
amount decreasing ratably over the term of the bonds to 100%  
on November 1, 2009 2,905,969

Total revenue bonds payable \$ 80,746,240

## CITY OF SPRINGFIELD, MISSOURI

### Notes to Basic Financial Statements

June 30, 2003

Notes payable at June 30, 2003, consisted of the following obligations:

**Regional Airport Fund:**

4.25% to 4.5% Capital Project Finance Authority fixed rate revenue bonds (Capital Projects Loan Program—AAAE Airport Projects) 2000 Series I (City of Springfield, Missouri, loan)	\$ 20,980,000
6.28% MTFC loan for airport improvements 2000	712,500

**Sanitary Sewerage System Fund:**

Noninterest bearing State of Missouri Wastewater Revolving Fund Program intergovernmental notes	16,347,003
Total notes payable	<u>\$ 38,039,503</u>

### Capital Lease Obligations

GE Capital Public Finance, Inc. lease, interest at 4.01 %, quarterly installments through February 1, 2005; a lease to purchase 25 police vehicles totaling \$567,320 for the take-home program. The future minimum lease obligation and net present value of the minimum lease payments as of June 30, 2003 were as follows:

	<u>Governmental activities</u>
Year ending June 30:	
2004	\$ 204,266
2005	<u>153,200</u>
Total minimum lease payments	357,466
Less amounts representing interest	<u>(13,914)</u>
Present value of minimum lease payments	<u>\$ 343,552</u>

In addition to the above outstanding debt, voters approved issuance of revenue bonds for a solid waste management system and sanitary sewerage system improvements in the amounts of \$17.9 and \$46 million, respectively, in elections held in February 1991 and 1990, respectively. At June 30, 2003, the revenue bonds authorized for the solid-waste management system of \$17.9 million had not yet been issued. In addition, \$1,095,000 of the total amount authorized for the sanitary sewerage system revenue bonds of \$46 million had not yet been issued.

Under current state statutes, the City's general obligation bonded debt issuances are subject to legal limitation based on total assessed value of real and personal property. General obligation debt issues are secured by the full faith and credit of the City. As of June 30, 2003, the City's net general obligation bonded debt of \$11,112,646 represents 1.9% of the legal debt limit of \$575,751,107.

## **CITY OF SPRINGFIELD, MISSOURI**

### **Notes to Basic Financial Statements**

June 30, 2003

The PBC Leasehold Revenue Bonds (Busch Building Improvement Project and Civic Park Recreation Project) and the PBC Leasehold Improvement Revenue Bonds (Tennis Facility) are payable solely from lease payments made by the City to the PBC, pursuant to lease agreements executed at the time the bonds were issued. These issues were used to finance various capital projects within the City.

At June 30, 2003, a total of \$1,690,906 was available in the Debt Service Funds for retirement of general obligation debt issues. The remainder of these obligations will be repaid from future property tax levies and other general revenue sources.

Principal and interest on the PBC Leasehold Revenue Refunding and Improvement Bonds, Series 1998 (Airport Project) are to be paid from the revenues of the Regional Airport Fund and are recorded therein. Principal and interest on the PBC Leasehold Improvement Revenue Bonds, Series 1995 (Golf Course Improvements) are to be paid from revenues of the Golf Fund and are recorded therein. Principal and interest on the PBC Leasehold Improvement Revenue Bonds, Series 1995 (Sewer Improvements) are to be paid from revenues of the Sanitary Sewerage Fund and are recorded therein. The PBC bonds are payable solely from lease payments made by the City to the PBC, pursuant to lease agreements executed at the time the bonds were issued.

The 1989 Series Sewer Improvement issue is payable, as to both principal and interest, first from interest-bearing special assessments levied and assessed against property benefited by sanitary sewer improvements financed with proceeds of the bonds and second from ad valorem taxes that may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the City. At June 30, 2003, \$1,998,176 was available in the Debt Service Funds for retirement of these obligations.

Special assessments of \$13,501,657 have been issued since 1980 (\$1,440,575 issued during the year ended June 30, 2003), and collections have totaled 86.27%, or \$11,647,808. Special assessments receivable of \$1,735,783 include delinquent accounts of \$41,690.

LCRA industrial development revenue bonds of \$10,272,899 were outstanding at June 30, 2003. The debt service on this issue is paid solely from a third party through a lease agreement; therefore, the issue does not constitute a debt of the City and, accordingly, is not included in the City's statement of net assets.

#### **Debt Defeasance**

In prior years, the City's Public Building Corporation (PBC) issued bonds to defease the 1990 Airport Leasehold Revenue and Improvement Bonds, the 1990 Airport Certificates of Participation, the 1990 PBC Leasehold Revenue Bonds, and a portion of 2000 A PBC Leasehold Revenue Bonds. The outstanding balances on the bonds and certificates of participation totaled \$11,700,000 as of June 30, 2003. Securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments. Therefore, these issues are considered defeased and the liability has been removed from long-term debt.

## CITY OF SPRINGFIELD, MISSOURI

### Notes to Basic Financial Statements

June 30, 2003

On December 1, 2002, the City's PBC issued \$5,470,000 in Taxable Revenue Bonds for the Jordan Valley Park Baseball Stadium Project. The bonds provided for the partial defeasance of the Public Building Corporation Leasehold Revenue Bonds, Series 2000A (Jordan Valley Park Projects). The refunding resulted in a book loss of \$853,000, which is being amortized over the life of the new debt, which is the same as the refunded debt. The refunding resulted in an increase in cash flows of \$4,283,457 and resulted in an economic loss of \$1,080,186.

#### City Utilities Component Unit

The following is a summary of long-term obligations outstanding for the City Utilities component unit:

	<b>Balance September 30, 2002</b>
Public Utility Revenue Bonds, Refunding Series of 2001; 3.5% to 5.0%; due March 1, 2002 to 2006	\$ 21,675,000
Public Utility obligation under the September 30, 1994 financing agreement; 4.85% to 5.20%; due December 15, 2000 to 2003	9,955,000
Public Utility obligation under the November 1, 1996 financing agreement; 4.55% to 5.20%; due November 1, 2000 to 2006	4,965,000
Public Utility obligation under the February 1, 2001 financing agreement; 3.75% to 4.85%; due January 1, 2002 to 2016	10,195,000
Public Utility obligation under the June 1, 2001 financing agreement; 4.4% to 5.0%; due December, 2001 to 2020	53,000,000
Total Public Utility	<u>99,790,000</u>
Waterworks Refunding and Improvement Revenue Bonds, Series of 1993(A); 5.00% to 7.00%; due May 1, 2003 to 2018	31,760,000
Waterworks Refunding and Improvement Revenue Bonds, Series of 1993(B); 4.75% to 5.20%; due May 1, 2001 to 2008	<u>8,965,000</u>
Total Water Department	40,725,000
Less unamortized debt discount	<u>(25,000)</u>
City Utilities component unit	140,490,000
Less current maturities	<u>(8,055,000)</u>
Total City Utilities component unit	<u>\$ 132,435,000</u>

The current portion of long-term debt included in the above balances for City Utilities is \$8,055,000 at September 30, 2002.

# CITY OF SPRINGFIELD, MISSOURI

## Notes to Basic Financial Statements

June 30, 2003

The Waterworks Refunding and Improvement Revenue Bonds, Series of 1993 (A) and (B) are collateralized by the revenues of the Water Department. The Public Utility Revenue Bonds, Refunding Series of 1977 and 2001 are collateralized by the revenues of the Public Utility. The Public Utility obligations under the financing agreements and the master lease agreement are subordinated to the Public Utility Revenue Bonds as to revenues.

In February 2001, the Public Utility entered into a financing agreement with Strifel Financial Corporation for development of a trunked radio system. The proceeds of the agreement were placed with US Bank, the project trustee, and are reimbursed to the Public Utility as expenditures are incurred. In June 2001, the Public Utility entered into a financing agreement with Merrill Lynch for the Energy Supply Lease. Proceeds of the agreement were placed with Commerce Bank, the project trustee, and are reimbursed to the Public Utility as expenditures are incurred. As of September 30, 2002, all proceeds from these agreements have been disbursed to the project. In December 2001, the Public Utility 1977 Revenue Bonds were refunded. In conjunction with the refunding of the 1977 Revenue Bonds, Series 2001 Revenue Bonds were issued in the amount of \$26,580,000.

Assets financed by the financing agreements and the master lease agreement are pledged as collateral for those agreements. Scheduled principal and interest maturities during each of the five fiscal years subsequent to September 30, 2002 and thereafter are as follows (in thousands):

	Principal			Interest		
	Total	Public Utility	Waterworks	Total	Public Utility	Waterworks
Fiscal year ending:						
2003	\$ 8,055	6,485	1,570	6,889	4,673	2,216
2004	17,090	15,445	1,645	6,296	4,160	2,136
2005	7,985	6,260	1,725	5,668	3,614	2,054
2006	8,280	6,465	1,815	5,267	3,301	1,966
2007 - 2011	31,540	18,380	13,160	21,306	13,391	7,915
2012 - 2016	36,050	20,565	15,485	13,224	9,125	4,099
2017 - 2021	31,515	26,190	5,325	3,788	3,404	384
Total	\$ <u>140,515</u>	<u>99,790</u>	<u>40,725</u>	<u>62,438</u>	<u>41,668</u>	<u>20,770</u>

The long-term obligations are redeemable at the City's option in whole or in part. The Public Utility Revenue Bonds, Refunding Series 2001, are not callable until maturity. The Public Utility obligation under the October 5, 1992 financing agreement is callable at par. The Public Utility obligation under the September 30, 1994 financing agreement is callable at par. The Public Utility obligation under the November 1, 1996 financing agreement is callable on November 1, 2002 through October 31, 2003, at 101%, and thereafter at par. The Public Utility obligation under the February 1, 2001 financing agreement is callable on January 1, 2011 at par. The Public Utility obligation under the June 1, 2001 financing agreement is callable on December 1, 2009 at par. The call prices for the Waterworks Refunding and

## CITY OF SPRINGFIELD, MISSOURI

### Notes to Basic Financial Statements

June 30, 2003

Improvement Revenue Bonds, Series 1993(A) and (B), are 102% at May 1, 2003, 101% at May 1, 2004, and 100% at May 1, 2005, and thereafter.

On October 10, 1997, City Utilities executed a draw on its master lease agreement with GE Capital for \$712,000 with an interest rate of 5.16% and maturity on October 1, 2002. On December 29, 1997, City Utilities executed a draw on its master lease agreement for \$3,777,000 with an interest rate of 5.12% and maturity on December 29, 2002. The agreement is secured by an interest in the equipment. Future borrowings on this agreement are not permitted. City Utilities has the option to prepay without penalty any or all principal amounts outstanding. The master lease was paid prior to maturity during City Utilities' 2002 fiscal year.

City Utilities' long-term debt is publicly traded infrequently; therefore, a current market price is not readily available for these bonds and leases. The fair value of long-term debt is estimated based upon market prices for similar issues or on the current rates offered for instruments of the same remaining maturities. The estimated fair value of long-term debt at September 30, 2002 for Public Utilities is \$104,096,000 and for the Water Department is \$44,770,000.

#### (d) *Construction Commitments*

##### **City of Springfield**

A summary of the City's commitments on uncompleted construction contracts and the amount, which is expected to be funded by federal and state grants, follows:

<b>Fund</b>	<b>Contract amount</b>	<b>Amount Funded by grants</b>
General	\$ 61,452	—
Miscellaneous	318,018	—
Public parks improvement	13,603,126	108,702
Public works improvement	274,887	17,611
Capital improvements sales tax	3,315,266	—
Regional airport	921,116	6,122
Sanitary sewerage system	27,723,747	—
Storm sewer, fairgrounds, fire station projects	96,981	—
Total	\$ <u>46,314,593</u>	<u>132,435</u>

Anticipated expenditures for extending and improving the Public Utility are estimated to be approximately \$68.2 million for the year ending September 30, 2003. These expenditures include \$59.2 million for Public Utility projects and \$9.0 million for Water Utility projects.

## CITY OF SPRINGFIELD, MISSOURI

### Notes to Basic Financial Statements

June 30, 2003

#### City Utilities Component Unit

##### Obligations to Purchase Electric Power and Energy

*Grand River Dam Authority*—City Utilities has an agreement with the Grand River Dam Authority to purchase electric power and energy over a 15-year period, which began July 1, 1992. Beginning July 1, 1994, and for the remainder of the contract term, City Utilities will purchase at least \$504,000 of electric power each month. This rate is subject to power cost adjustments computed every six months and is limited to a maximum annual adjustment of 5%.

*Southwestern Power Administration*—City Utilities has a power sales agreement with the Southwestern Power Administration (SWPA) effective through June 30, 2015. Each month, City Utilities must purchase peaking capacity, plus transmission service. Additionally, City Utilities must purchase a minimum monthly amount of peaking energy of approximately \$15,000. The peaking rate is adjusted through a purchased power adder component. Banking energy can be transferred between SWPA and City Utilities and is recorded as a liability based on the previous 12-month net coal generation fuel cost.

*Kansas City Power and Light Company* — City Utilities began a purchased power agreement with Kansas City Power and Light Company (KCPL) on June 1, 2001 that runs through May 31, 2013. Under this agreement, City Utilities purchases a total of 51 megawatts of capacity from KCPL's Montrose Power Station turbines. The capacity charge is \$84 per kilowatt per year through May 31, 2006; thereafter the annual capacity charge drops to \$75 per kilowatt for the remainder of the contract. The contract provides that KCPL will furnish City Utilities with 379,750 kilowatt hours of electricity annually (using an 85% availability factor) with the energy charge based on the actual production costs of the Montrose units.

*Obligations to Purchase Coal*—On January 1, 2000, City Utilities entered into a new agreement with Consolidated Coal Company that calls for Consolidated Coal Company to supply coal for the James River Power Station through December 31, 2002. City Utilities had an obligation to purchase a minimum of \$2,385,000 of coal for calendar year 2002. The base prices were established using a predetermined weighted average heat value. Material variances will result in an adjustment to the base prices. As of September 30, 2002, City Utilities had purchased its obligation for the contract period ending December 31, 2002.

*Oxbow Carbon & Minerals, Inc.*—On August 16, 2001, City Utilities entered a new contract with Oxbow Carbon & Minerals, Inc. Under the agreement, which is effective until December 31, 2002, City Utilities agreed to purchase a minimum of three trainloads per calendar year at a price of \$24.00 per ton. As of September 30, 2002, City Utilities had purchased one trainload. Two additional trainloads were scheduled to be delivered in October and November 2002.

*Thunder Basin Coal Company*—On December 31, 1997, City Utilities entered into an agreement with Thunder Basin Coal Company, L.L.C. effective through December 31, 2002. Under this agreement, which was amended October 5, 1998, obligations for the calendar year 2002 are \$3,315,000. This contract was assigned to Powder River Coal Company as of

## CITY OF SPRINGFIELD, MISSOURI

### Notes to Basic Financial Statements

June 30, 2003

December 31, 1998 with no changes to the contract terms. As of September 30, 2002, City Utilities had purchased its obligation for the contract period ending December 31, 2002.

*Obligations to Purchase Rail Services*—City Utilities has an agreement to purchase rail services to transport coal from Consolidated Coal Company's mine in Illinois to City Utilities' James River Power Station. City Utilities agreed to tender minimum tonnages of 100,000 tons in calendar year 2002. As of September 30, 2002, City Utilities had shipped 102,000 tons for the contract period ending December 31, 2002. City Utilities also has a separate agreement with Burlington Northern Santa Fe to purchase rail services to transport coal from Powder River Coal Company's mine in Wyoming to City Utilities' power stations. City Utilities agreed to tender a minimum tonnage of 900,000 tons in calendar year 2002. As of September 30, 2002, City Utilities had shipped 1,348,000 tons.

*Burlington Northern & Santa Fe*—On July 9, 2001, City Utilities entered into a new agreement with Burlington Northern & Santa Fe to transport coal from Sanborn Creek Mine and White Oak Mine. Effective until December 31, 2002, City Utilities agreed to tender a minimum total tonnage of 30,000 tons per calendar year. As of September 30, 2002, City Utilities had shipped 12,000 tons, with comparable size shipments scheduled for October 2002 and November 2002.

*Obligation to Purchase Natural Gas*—City Utilities has a 15-year contract with TXU Energy Services expiring on February 29, 2008 with an annual minimum purchase obligation of 3,334,932 DTH utilizing market-sensitive pricing. City Utilities has signed agreements with Williams Gas Pipelines Central (formerly Williams Natural Gas Company) and Reliant Energy Gas Transmission Company (formerly NorAm Gas Transmission Company) for transportation and/or storage services with various terms expiring in 1 to 20 years.

(e) ***Interfund Receivables, Payables, and Transfers***

The composition of interfund balances as of June 30, 2003 is as follows:

<u>Receivable fund</u>	<u>Payable fund</u>	
General Fund	Nonmajor Governmental	\$ 1,394,338
General Fund	Nonmajor Enterprise	795,903
General Fund	Tourism Tax	387,500
Fiduciary Funds	Fiduciary Funds	315,005
Internal Service	Fiduciary Funds	<u>46,692</u>
Total		<u>\$ 2,939,438</u>



# CITY OF SPRINGFIELD, MISSOURI

## Notes to Basic Financial Statements

June 30, 2003

### Interfund transfers:

		Transfers to				
		General Fund	Community Development	Tourism Tax Community Imp	Nonmajor Governmental	Total
Transfers from:						
General Fund	\$	—	106,341	—	6,084,547	6,190,888
Community Development		7,500	—	—	—	7,500
Tourism Tax Community Imp		—	—	1,539,380	—	1,539,380
Nonmajor Governmental		1,145,434	—	1,855,602	9,198,070	12,199,106
Sanitary Sewerage System		853,895	—	—	—	853,895
Refuse Disposal		86,876	—	—	—	86,876
Regional Airport		100,000	—	—	—	100,000
Nonmajor Enterprise		15,717	—	—	—	15,717
Total transfers out	\$	2,209,422	106,341	3,394,982	15,282,617	20,993,362

### (3) Other Information

#### (a) Employee Retirement Systems and Plans

The City maintains The Policemen and Firemen's Retirement System (the Fund), which covers substantially all employees of the City's police and fire departments. The City also participates in the Missouri Local Government Employees Retirement System (LAGERS), a statewide local government retirement system. LAGERS covers substantially all of the City's employees (not covered under The Policemen and Firemen's Retirement Fund) and the employees of the City Utilities component unit.

#### (a) The Policemen and Firemen's Retirement System—

##### Plan Description

All of the City's policemen and firemen become members in The Policemen and Firemen's Retirement System, a single employer defined benefit pension plan, as a condition of their employment. The Plan provides retirement, disability, and death benefits to plan members and beneficiaries.

A separate publicly available financial report is issued that includes financial statements and required supplementary information. The financial report may be obtained by writing to the City of Springfield, Finance Department, P.O. Box 8368, Springfield, Missouri 65801-8368 or by calling (417) 864-1625.

##### Summary of Significant Accounting Policies

*Basis of Accounting*—The Fund's financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to each plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

## CITY OF SPRINGFIELD, MISSOURI

### Notes to Basic Financial Statements

June 30, 2003

*Method Used to Value Investments*—Investments are valued at fair value using quoted market prices at the valuation date.

#### Funding Policy

The City's funding policy provides employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are designed to accumulate sufficient assets to pay benefits when due. Operation of the Plan is governed by City ordinance and is administered by the Plan's board of trustees. The Plan is not subject to the provisions of the Employee Retirement Income Security Act of 1974. Members are required to contribute 10.64% of their annual salary to the Plan. The City is required to contribute the remaining amounts necessary to fund the Plan. In accordance with the contribution requirements determined by an actuarial valuation, employer contributions were 20.74% of current year covered payroll.

#### Annual Pension Cost

For 2002, the City's annual pension cost of \$4,493,908 was equal to the required and actual contributions. The Plan's actuarial methods and assumptions are included as supplementary information immediately following the notes to the basic financial statements.

Historical trend information:

	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC contributed</u>	<u>Net pension obligation</u>
Fiscal year ending:			
June 30, 2001	\$ 4,497,049	100	—
June 30, 2002	4,493,908	100	—
June 30, 2003	5,196,810	100	—

Current membership:

Retirees and beneficiaries receiving benefits	405
Terminated plan members entitled to but not yet receiving benefits	2
Active plan members	<u>533</u>
Total	<u><u>940</u></u>

## **CITY OF SPRINGFIELD, MISSOURI**

### **Notes to Basic Financial Statements**

June 30, 2003

#### **(b) Missouri Local Government Employees Retirement System (LAGERS)—**

##### **Plan Description**

The City of Springfield and City Utilities participate in the Missouri Local Government Employees Retirement System (LAGERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri.

LAGERS is a defined benefit pension plan that provides retirement, disability, and death benefits to plan members and beneficiaries. LAGERS was created and is governed by statute, section RSMo 70.600-70.755. As such, it is the system's responsibility to administer the law in accordance with the expressed intent of the General Assembly. The Plan is qualified under the Internal Revenue Code Section 401a and it is tax exempt.

The Missouri Local Government Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to LAGERS, P.O. Box 1665 Jefferson City MO 65102 or by calling 1-800-447-4334.

##### **Funding Policy**

The City's full-time employees began contributing 4% to the pension plan in January 2002. City Utilities' full-time employees do not contribute to the pension plan. The political subdivision is required to contribute at an actuarially determined rate. The rate for City Utilities was 20.6% for the year ended September 30, 2002. The rate for the City of Springfield was 14.5% for the year ended June 30, 2003. The contribution requirements of plan members are determined by the governing body of the political subdivision. The contribution provisions of the political subdivision are established by state statute.

##### **Annual Pension Cost**

For 2002, City Utilities' and, for 2003, the City of Springfield's annual pension cost of \$10,602,000 and \$4,204,384, respectively, was equal to the required and actual contributions. The Plan's actuarial methods and assumptions are included as supplementary information immediately following the notes to the basic financial statements.

##### **Prepaid Pension Asset**

To reduce future fixed costs, City Utilities made two payments of \$18 million and \$3.4 million to LAGERS in November 1997 and September 1998, respectively. These payments reduced the past unfunded pension liability. The payments will be amortized to pension expense over 15 years. This was prudent and desirable since the funds managed by the pension administrator can be invested in a broader range of securities than those invested by City Utilities. LAGERS' investment performance had exceeded City Utilities' by an average of 3% per year over the past 10 years. Giving effect to this

# CITY OF SPRINGFIELD, MISSOURI

## Notes to Basic Financial Statements

June 30, 2003

payment in the actuarial studies that set the pension contribution rate will lower pension costs in future years, with savings currently estimated in excess of \$1.5 million per year.

Historical trend information:

<b>City of Springfield three-year trend information</b>			
	<b>Annual Pension Cost (APC)</b>	<b>Percentage of APC contributed</b>	<b>Net pension obligation</b>
Fiscal year ending:			
June 30, 2001	\$ 4,187,976	100	—
June 30, 2002	5,051,244	100	—
June 30, 2003	4,204,384	100	—

Historical trend information:

<b>City Utilities three-year trend information</b>			
	<b>Annual Pension Cost (APC)</b>	<b>Percentage of APC contributed</b>	<b>Net pension obligation</b>
Fiscal year ending:			
September 30, 2000	\$ 8,110,000	100	—
September 30, 2001	9,236,000	100	—
September 30, 2002	10,602,000	100	—

### (c) Other Post-Retirement Benefits

The general employees of the City are eligible to continue coverage, as prescribed by City ordinances, in the City's healthcare plan and to maintain their life insurance through the City upon retirement. The premiums are paid entirely by the retired employee, with no contribution or obligation to contribute by the City for either the healthcare or life insurance plans. The cost of retiree healthcare is recognized as an expenditure as claims are paid from the City's self-insurance healthcare fund. For the year ended June 30, 2003, the costs to the City's self-insured healthcare plan for retirees exceeded their premiums by approximately \$999,716. There was no cost to the City for the life insurance plan. As of June 30, 2003, there were 410 retirees participating in the health plan and 74 retirees participating in the life insurance plan.

### (b) *Litigation and Contingent Liabilities*

An estimated liability of \$1.8 million related to the pending settlement of litigation was recorded by the Water Utility in 2002. The recognition of this liability increased administrative and general expense in the Statement of Revenues, Expenses, and Changes in Net Assets.

## **CITY OF SPRINGFIELD, MISSOURI**

### **Notes to Basic Financial Statements**

June 30, 2003

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time although the City and the City Utilities component unit expect such amounts, if any, to be immaterial.

In the normal course of business, both the City and the City Utilities component unit are involved in various legal proceedings. Although the outcome of these proceedings is not presently determinable, it is the opinion of the City and City Utilities' legal counsel and management, that the resolution of these matters will not have a material adverse effect on the financial position of the City or City Utilities.

**(c) *Clear Air Act Amendments of 1990—City Utilities Component Unit***

The Clean Air Act Amendments of 1990 (the Act), signed on November 15, 1990, include requirements for reductions in sulfur dioxide and nitrogen oxides emissions for electric utilities.

On July 18, 1997, the Environmental Protection Agency (EPA) adopted revised air quality standards for ozone and fine particulate matter. The new standards could require emission reductions and significant pollution control expenses at some electric power plants. On May 14, 1999, the D. C. Circuit Court of Appeals overturned the new standards and returned them to the EPA for additional justification. EPA appealed this decision to the U. S. Supreme Court and oral arguments were heard on November 7, 2000. Until the Court issues an opinion, it is not known what effect this rule will have on any particular industry or facility. City Utilities expects the impact in Springfield will be nominal, due to favorable existing air quality. If modifications to City Utilities' operations or facilities are necessary, the cost of making emissions reductions to meet the air quality standards will be dependent upon the level of emissions reductions required and the available technology. City Utilities will continue to evaluate the impact of the regulations.

On October 27, 1998, the EPA finalized a rule requiring certain states, including Missouri, to revise state implementation plans to address the long-range transport of smog-forming emissions. City Utilities was part of a group that appealed this final rule to the Court of Appeals of the District of Columbia. The Court found that the EPA did not have a basis for the rule as applied to the western part of Missouri. As a result, EPA proposed the rule on February 22, 2002 in a manner that appears favorable to City Utilities and the Court's decision. However, EPA's final action and Missouri's regulatory response to it are still undetermined. City Utilities supported a rule by the Missouri Utility of Natural Resources that will lower the allowable sulfur dioxide limit by 30%.

The Act allows selling and trading of allowances. An "allowance" under the Clear Air Act is the authorization to emit one ton of sulfur dioxide in one year. No excess clean Air Act allowances were sold during the fiscal year ended September 30, 2002.

## **CITY OF SPRINGFIELD, MISSOURI**

### **Notes to Basic Financial Statements**

June 30, 2003

**(d) *Closure and Postclosure Care Costs***

State and federal laws and regulations require the City's sanitary landfill to place a final cover on each cell of the landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions on each cell for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that each cell of the landfill stops accepting waste, the City reports a portion of these closure and postclosure care costs as an operating expense of the Refuse Disposal Fund in each period, based on landfill capacity used as of each period. As of June 30, 2003, a total of \$13,189,577 is reported as landfill closure and postclosure liability on the statement of net assets. This is a decrease in the liability reported as of June 30, 2002 due to revised estimates of future closure and postclosure core costs, usage and changes made in estimates regarding capacity of Noble Hill/cell one. During fiscal year 2003, construction was completed on cell two. The City received an "Authorization to Operate" from the Missouri Department on Natural Resources and began accepting waste in cell two.

This total represents the cumulative amount reported to date, based on the use of approximately 84.9% of the estimated capacity of Noble Hill/cell one and cell two of the landfill. The City will recognize the remaining estimated cost of closure and postclosure care of \$2,345,849 as the remaining capacity of cell one and cell two is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2003. Actual costs may be higher, due to inflation, changes in technology, or changes in regulations. The estimated remaining life of Noble Hill/cell one and cell two ranges from 4.0 to 7.9 years based on average daily refuse received of 600 to 300 tons.

The City is currently under a contract of obligation with the Missouri Department of Natural Resources executed December 9, 2002 for \$15.5 million related to closure and postclosure costs for Noble Hill/cell one and cell two of the landfill.

The City expects that all closure and postclosure care costs, as well as future inflation costs, will be paid from available operating revenues, reserves, and interest earnings on cash and short-term investments held in the Refuse Disposal Fund. However, if these resources are inadequate or additional postclosure care requirements are determined (due to changes in technology or applicable laws or regulations, for example), these costs may need to be recovered through charges to future landfill users.

**(e) *Risk Management***

The City is exposed to various risks, such as property exposures, automobile liability, workers' compensation claims, equipment losses, general liability claims, and the costs associated with an employee health plan, to list a few. The City's risk financing plans consist of insurance and self-insurance for the various risks identified. For property exposures, the City purchases an all-risk insurance policy. Current property values total \$297,000,000. This property insurance presently carries a primary deductible of \$50,000. While coverage is purchased for City-owned equipment, the comprehensive or collision exposure to City-owned vehicles is self-insured. Neither liability claims nor property losses have exceeded the limits of coverage that comprise the City's risk financing plans, for the last three years.

## CITY OF SPRINGFIELD, MISSOURI

### Notes to Basic Financial Statements

June 30, 2003

The City established a self-insurance program for workers' compensation in fiscal year 1988 and for health insurance in fiscal year 1985. The workers' compensation plan covers all City employees, while the health plan covers retirees and all permanent City employees who work at least 30 hours per week. The Self-Insurance Fund, an internal service fund, was established to account for the premiums received from retirees and employees and the City's share of premiums for both health insurance and workers' compensation. The operating funds are charged a monthly rate per employee for both health insurance coverage and workers' compensation.

The premiums are available to pay claims, claim reserves, and administrative costs of the programs. Stop-loss reinsurance coverages are maintained by the City to eliminate the risk of unlimited claim liability and minimize claim fluctuations due to catastrophic losses. Liabilities of the Self-Insurance Fund include an amount for claims that have been incurred but not reported.

Changes in the City's estimated liability for incurred but unreported claims in its Self-Insurance Fund for fiscal years 2002 and 2003 were as follows:

	<b>Liability balance beginning of year</b>	<b>Current year claims changes in estimates</b>	<b>Claims payments</b>	<b>Liability balance end of year</b>
Fiscal year ended June 30:				
2002	\$ 2,400,000	9,632,767	8,732,767	3,300,000
2003	3,300,000	8,822,938	8,672,938	3,450,000

The estimated liability for general government claims and judgments that are not expected to be liquidated with available expendable financial resources are recorded in the governmental activities column of the statement of net assets when it is probable that a loss has occurred and the amount can be reasonably estimated. Claim liabilities are calculated considering the effects of inflation, incremental costs, recent claim settlement trends (including frequency and amount of payouts), and other factors. Other nonincremental costs are not included in the basis of estimating the liability. Liabilities incurred for such losses or claims by a proprietary fund are recorded within the respective fund when it is probable that a loss has occurred and the amount can be reasonably estimated.

**(f) Joint Ventures**

On June 28, 1993, the City Council approved a partnership agreement between the City, the City Utilities component unit, the Springfield Area Chamber of Commerce, and the Springfield Business and Industrial Development Corporation to form a public/private joint venture for purposes of developing an industrial park.

Under this agreement, the City is to provide appropriate municipal improvements, such as streets, sanitary and storm sewers, and infrastructure engineering. City Utilities is responsible for utility services, such as natural gas, water, electricity, and fiber optic telecommunication. In addition, City Utilities will pay for consulting services to prepare a design and overall

## **CITY OF SPRINGFIELD, MISSOURI**

### **Notes to Basic Financial Statements**

June 30, 2003

concept plan for the industrial park, including parcel division, appropriate land use, transportation access, and all related matters. At the request of the City Council, City Utilities has also acquired the land for the industrial center. The Chamber of Commerce, under terms of the agreement, will provide general marketing guidance, services, and expertise. The Springfield Business and Industrial Development Corporation will be responsible for acquiring, from private sources, funds to construct a shell facility or facilities suitable for general manufacturing or industrial purposes.

The net profits or net losses of the partnership, as well as gains and losses realized upon the sale, lease, exchange, or other conversion of any part or all of the real estate controlled by the partnership, are to be allocated based upon each partner's percentage of the partnership's capital accounts.

Financial accountability for the industrial park is vested in a nine-member Administrative Council. The Council consists of one City Council member appointed by the Mayor, one member from the Board of Public Utilities appointed by the Chairman of its Board, one member of the Springfield Business and Industrial Development Corporation appointed by its president, one member from the board of directors of the Springfield Area Chamber of Commerce appointed by its chairman, the City Manager of the City of Springfield or a designee selected from senior City staff, the General Manager of City Utilities or a designee selected from senior Utility staff officials, the President of the Springfield Area Chamber of Commerce or designee selected from senior Chamber staff, one member of the Greene County Commission appointed by the Presiding Commissioner, and the Chairman of the City Utilities' Citizens' Advisory Council or a designee selected from the membership of the Citizen's Advisory Council.

For the years ended June 30, 2003 and 2002, the City expended \$716,006 and \$3,563,762, respectively, toward development of the industrial park. The City had outstanding encumbrances of \$54,959 and \$542,079 at June 30, 2003 and 2002, respectively. These expenditures and encumbrances are included in the financial statements within the Public Works Improvement Fund.

As of September 30, 2002, the City Utilities component unit had expended a total of \$5,921,000 for land and improvements, recognized losses of \$928,000, and received contributions of \$3,979,000 for a net equity balance of \$1,014,000.

The partnership is in the process of developing a second industrial park on the west side of Springfield, Missouri. City Utilities' participation in the second industrial park will be in the same capacity as the first industrial park, with the exception that land acquisitions will be made by the Springfield Business and Industrial Development Corporation. As of September 30, 2002, City Utilities had incurred \$628,000 for land and improvements and recorded gains of \$134,000, for a net equity balance of \$762,000. These amounts are reimbursable through lot sales proceeds.

Amounts expended for the industrial center are accounted for using the equity method and are recorded in other noncurrent assets. The net profits or net losses of the partnership are to be



## CITY OF SPRINGFIELD, MISSOURI

### Notes to Basic Financial Statements

June 30, 2003

allocated based upon each partner's percentage of the partnership's capital accounts. At September 30, 2002, City Utilities had an ownership interest of 66% in the partnership.

The City received a distribution of \$3,595,986 and \$155,001 from the partnership for the years ended June 30, 2002 and 2001, respectively. The City's cumulative investment in the joint venture, net of distributions received or receivable, is included within the capital assets section. City Utilities' equity interest is reported within its discrete component unit presentation.

Separate financial statements for the partnership are prepared and distributed to each partner on a quarterly basis. Copies of the statements are available from the Partnership Industrial Center Administrative Council, 320 North Jefferson Avenue, Springfield, Missouri 65802.

**(g) *Equity Interest in the Energy Authority***

City Utilities is an equity member of The Energy Authority (TEA), a power marketing joint venture based in Jacksonville, Florida and incorporated in Georgia. As of September 30, 2002, TEA was comprised of six municipal utilities with equity interests, including four large partners with ownership interests of 21.43% each. The large partners are MEAG Power, JEA, South Carolina Public Service Authority (a.k.a. Santee Cooper), and the Nebraska Public Power District. City Utilities and Gainesville Regional Utilities (Florida) are medium equity partners with ownership interests of 7.14% each. As a member of TEA, City Utilities benefits from the risk management strategies maintained by TEA, which seek to avoid financial losses by limiting financial exposure as a result of unexpected unit outages and volatile market prices. City Utilities uses the equity method of accounting to record its investments in TEA.

To become an equity member, City Utilities was required to meet the following conditions:

- Pay a membership fee of \$867,360 that City Utilities recorded as a deferred expense and amortized over the 24-month period that the fee was refundable on a prorated basis. This membership fee was fully amortized as of July 2002.
- City Utilities paid an initial capital contribution of \$1 million, of which TEA subsequently returned \$247,615, resulting in a net capital contribution of \$752,385. In addition to the net capital contribution, City Utilities' component share of TEA's net activity through September 30, 2002 was \$922,292, resulting in an equity balance of \$1,674,677 as of that date.
- City Utilities was also required to make a \$428,571 Advance Agreement payment to guarantee TEA's transactions. TEA recorded this amount on its books as a liability to City Utilities. When added to the equity balance, the Advance Agreement brings City Utilities' total investment in TEA to \$2,103,248 as of September 30, 2002.

In accordance with the membership agreement between City Utilities and its joint venture members, City Utilities has provided TEA with guarantees of \$9,642,856 to secure power-marketing transactions. This amount includes a letter-of-credit supported by the Advance Agreement cash deposit of \$428,571.

## **CITY OF SPRINGFIELD, MISSOURI**

### **Notes to Basic Financial Statements**

June 30, 2003

**(h) *Water Storage—City Utilities Component Unit***

In October 1993, City Utilities entered into a contract with the federal government to utilize 7.63% (estimated at 50,000 acre-feet) of the usable storage space at Stockton Lake. The storage space is to be used in two stages: 25,000 acre-feet initially, and an additional 25,000 acre-feet when required by future demand. Payment on the first 25,000 acre-feet of approximately \$4.8 million was made September 30, 1995. Payment on the second 25,000 acre-feet, which is estimated at \$4.6 million and is payable in annual installments over a 30-year period, begins within 30 days after the first use of the additional storage or on January 1, 2016, whichever occurs first. City Utilities has the right to prepay the balance due at any time in whole or in part. City Utilities placed in service the water supply pipeline and intake structure in June of 1996. Upon the structures becoming operational, City Utilities accessed the initial 25,000 acre-feet of storage space and began paying a percentage of the annual operations and maintenance expense of Stockton Lake.

**(i) *Subsequent Events***

The City issued the following bonds:

1. On July 1, 2003, Taxable Variable Rate Demand Bonds (University Plaza Hotel Redevelopment Project) totaling \$7,955,000 were issued through the Land Clearance for Redevelopment Authority of the City of Springfield, Missouri. The variable rate demand bonds are due through October 1, 2020.
2. On July 1, 2003, General Obligation Sewer Improvement Bonds totaling \$3,050,000 were issued by the City. The interest rate on the bonds range from 1.3 to 4.125% and the maturity date is January 1, 2019.

**(j) *Deficits***

The accumulated deficits in nonmajor funds in the amounts of \$794,602 in the Public Parks (Special Revenue) Fund, \$107,351 in the LEST Radios Bond Issue 2000 (Debt Service) Fund, \$2,069 in the Public Parks Improvement and \$912,016 in the Capital Lease Projects (Capital Project) Funds, \$73,340 in the Print Shop, and \$2,220,122 for the Self-Insurance (Internal Service) Fund will be eliminated by future revenues or operating transfers.

## **CITY OF SPRINGFIELD, MISSOURI**

### **Notes to Basic Financial Statements**

June 30, 2003

**(k) *Works of Art***

The Springfield Art Museum is a general museum of fine art. The Museum wishes to form and maintain collections of the highest possible aesthetic quality and significance, covering the entire range of the history of art. The collection consists of glass, metalwork, manuscripts, musical instruments, paintings, prints, silver, ceramics, and sculptures. In recognition of the Museum's existing collections and limited acquisition funds, acquisition of new collections generally focuses on American art of all periods.

It is assumed that all objects that become the property of the Springfield Art Museum, whether donated or purchased, are to remain in the museum's collection on a permanent basis. If an object or group of objects is sold, the monies derived from the sale shall be added to the museum's Acquisition Fund and expended in the appropriate fiscal year or deposited in the museum's Endowment Fund, to be utilized at a future date. Since the collection is not held for financial gain, but is protected and preserved, and disposed only in order to acquire other works of art, the collections are excluded from the financial statements.

**CITY OF SPRINGFIELD, MISSOURI**  
Required Supplementary Information (unaudited)  
Budgetary Comparison Schedule—General Fund  
Year ended June 30, 2003

	<b>Budgeted amounts</b>		<b>Actual</b>	<b>Variance with final budget— positive (negative)</b>
	<b>Original</b>	<b>Final</b>		
Revenues:				
Taxes:				
Sales	\$ 35,975,000	35,960,000	35,967,214	7,214
Franchise	3,506,250	3,151,250	3,152,357	1,107
Licenses and permits	2,873,000	2,823,000	2,824,732	1,732
Intergovernmental	2,908,400	3,358,400	3,359,691	1,291
Charges for services	2,167,000	2,612,000	2,474,326	(137,674)
Fines and forfeitures	1,125,000	1,365,000	1,364,153	(847)
Revenues from use of money and property	1,080,000	335,000	248,239	(86,761)
Payments in lieu of taxes	8,237,000	8,717,000	8,727,089	10,089
Other	126,400	20,100	40,599	20,499
Total revenues	57,998,050	58,341,750	58,158,400	(183,350)
Expenditures:				
Current:				
General government:				
Public records	308,006	304,103	272,908	31,195
Council	64,357	69,027	68,649	378
Public information office	361,955	353,020	343,581	9,439
City manager	655,020	624,648	607,687	16,961
Finance	5,675,483	1,985,200	1,939,997	45,203
Counsel, legal advise, and prosecution	1,548,878	1,619,038	1,615,760	3,278
Human resources	868,940	832,675	790,993	41,682
Zoning and subdivision services	375,113	378,740	374,313	4,427
Municipal court operations	1,367,546	1,411,501	1,356,775	54,726
Information systems	1,810,272	1,750,412	1,795,467	(45,055)
Other—unclassified	2,720,485	2,041,086	991,558	1,049,528
Total general government	15,756,055	11,369,450	10,157,688	1,211,762
Public works:				
Engineering	2,112,973	1,835,572	1,817,448	18,124
Maintenance	4,961,635	4,748,907	4,155,888	593,019
Total public works	7,074,608	6,584,479	5,973,336	611,143
Public safety:				
Police	18,838,669	19,855,934	19,736,354	119,580
Fire	13,459,699	13,616,659	13,518,063	98,596
Emergency communications	3,305,130	3,418,048	3,321,299	96,749
Inspection	1,771,705	1,850,229	1,805,985	44,244
Total public safety	37,375,203	38,740,870	38,381,701	359,169
Planning and development services:				
Economic development and assistance	1,224,291	964,788	949,448	15,340
Housing and redevelopment services	61,201	54,424	53,833	591
Total planning and development	1,285,492	1,019,212	1,003,281	15,931
Capital outlay:				
Engineering	7,631	53,975	36,721	17,254
Maintenance	19,100	26,258	22,213	4,045
Police	324,500	327,500	1,064,128	(736,628)
Fire	17,000	20,822	6,526	14,296
Inspection	—	—	2,816	(2,816)
General government	220,407	228,657	92,166	136,491
Total capital outlay	588,638	657,212	1,224,570	(567,358)
Total expenditures	62,079,996	58,371,223	56,740,576	1,630,647
Excess (deficiency) of revenues over (under) expenditures	(4,081,946)	(29,473)	1,417,824	1,447,297
Other financing sources (uses):				
Transfers in	1,350,197	1,357,697	2,209,422	851,725
Transfers out	(4,655,165)	(4,801,151)	(6,190,888)	(1,389,737)
Use of fund balance	2,661,862	2,661,862	—	—
Total other financing sources and uses	(643,106)	(781,592)	(3,981,466)	(538,012)
Net change in fund balances	(4,725,052)	(811,065)	(2,563,642)	909,285
Fund balances—beginning	12,827,237	12,827,237	12,827,237	—
Fund balances—ending	\$ 8,102,185	12,016,172	10,263,595	909,285

See accompanying independent auditors' report.

**CITY OF SPRINGFIELD, MISSOURI**

Required Supplementary Information (unaudited)

Budgetary Comparison Schedule—Community Development Fund

Year ended June 30, 2003

	<b>Budgeted amounts</b>		<b>Actual</b>	<b>Variance with final budget— positive (negative)</b>
	<b>Original</b>	<b>Final</b>		
Revenues:				
Intergovernmental	\$ 3,950,350	5,228,409	3,959,363	(1,269,046)
Other	1,358,439	1,908,439	1,376,916	(531,523)
Total revenues	5,308,789	7,136,848	5,336,279	(1,800,569)
Expenditures:				
Parks and recreation	—	—	57,937	(57,937)
Planning and development	5,100,641	7,245,185	5,968,170	1,277,015
General government	—	—	116,961	(116,961)
Total expenditures	5,100,641	7,245,185	6,143,068	1,102,117
Excess (deficiency) of revenues over (under) expenditures	208,148	(108,337)	(806,789)	(698,452)
Other financing sources				
Transfers in	130,162	106,341	106,341	—
Transfers out	—	—	(7,500)	(7,500)
Net change in fund balance	338,310	(1,996)	(707,948)	(705,952)
Fund balances—beginning	4,248,245	4,248,245	4,248,245	—
Fund balances—ending	\$ 4,586,555	4,246,249	3,540,297	(705,952)

See accompanying independent auditors' report.

**CITY OF SPRINGFIELD, MISSOURI**

Required Supplementary Information (Unaudited)

Budgetary Comparison Schedule—Tourism Tax Community Improvement

Year ended June 30, 2003

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with final budget— positive (negative)</b>
Revenues:			
Property tax	—	154,503	154,503
Sales tax	1,369,000	1,672,847	303,847
Interest	—	278,411	278,411
Intergovernmental	1,977,143	2,719,354	742,211
Other	37,950	411,694	373,744
Total revenues	<u>3,384,093</u>	<u>5,236,809</u>	<u>1,852,716</u>
Expenditures:			
Parks and recreation	34,567,734	24,830,238	9,737,496
General government	62,210	80,378	(18,168)
Total expenditures	<u>34,629,944</u>	<u>24,910,616</u>	<u>9,719,328</u>
Excess (deficiency) of revenues over (under) expenditures	(31,245,851)	(19,673,807)	(11,572,044)
Other financing sources:			
Bond proceeds	22,182,239	24,567,198	2,384,959
Transfers in:			
Debt service funds	—	1,771,957	1,771,957
Capital projects funds	—	1,623,025	1,623,025
Transfers out:			
Special revenue funds	(3,077,290)	(1,539,380)	1,537,910
Total other financing sources (uses)	<u>19,104,949</u>	<u>26,422,800</u>	<u>7,317,851</u>
Net change in fund balance	(12,140,902)	6,748,993	(18,889,895)
Fund balances—beginning	<u>3,560,079</u>	<u>3,560,079</u>	<u>—</u>
Fund balances—ending	<u>(8,580,823)</u>	<u>10,309,072</u>	<u>(18,889,895)</u>

See accompanying independent auditors' report.

**CITY OF SPRINGFIELD, MISSOURI**  
Required Supplementary Information (unaudited)  
Notes to Budgetary Comparison Schedules  
Year ended June 30, 2003

**(1) Budgets and Budgetary Accounting**

The City utilizes the following procedures in establishing the budgetary data reflected in the financial statements:

1. By May 1 of each year, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditure plans for all fund types (except Fiduciary Funds, which are not subject to budgetary considerations) and the proposed means of financing them.
2. One public hearing is conducted by the City Council in late May or early June to obtain taxpayers' comments on the proposed budget and tax levy.
3. Prior to July 1, ordinances are passed by the City Council that provide for legally adopted budgets in the City's General and Special Revenue Funds. Plans approved for Capital Projects, Debt Service, and Proprietary fund types provide operating guidance subject to actual activity during the fiscal year.
4. The City operates on a program performance budget system, with legally adopted budgets prepared by fund, program, and department. The legal level of budgetary control is at the department level. The City's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the City Council.
5. Formal budgetary integration is employed as a management control device in the General and Special Revenue Funds. Formal budgetary integration is not employed for Debt Service Funds, since budgetary control is achieved through general obligation bond indenture provisions.
6. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP) in the United States of America, except that encumbrances are included with expenditures when the annual budget is established. Budgeted amounts may be amended by the City Council on approved budget adjustment forms.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded, is employed in governmental funds. Encumbrances outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

**(2) Excess of Expenditures Over Appropriations.**

For the year ended June 30, 2003, expenditures exceeded appropriations in the Public Health Services Special Revenue Fund by \$46,582. The overexpenditure was funded through the use of available fund balance.

**CITY OF SPRINGFIELD, MISSOURI**  
Required Supplementary Information (unaudited)  
Pension Data  
Year ended June 30, 2003

Schedule of Funding Progress  
Policemen and Firemen's Retirement Fund

<u>Actuarial Valuation Date</u>	<u>(a) Actuarial value of assets</u>	<u>(b) Actuarial accrued liability</u>	<u>(b-a) Unfunded accrued liability (UAL)</u>	<u>(a/b) Funded ratio</u>	<u>(c) Annual covered payroll</u>	<u>[(b-a)/c] UAL as a percentage of covered payroll</u>
June 30, 2001	\$ 129,479,927	168,344,798	38,864,871	77%	\$ 20,222,061	192%
June 30, 2002	129,854,227	179,125,555	49,271,328	72%	22,142,466	222%
June 30, 2003	129,848,871	195,974,774	66,125,903	66%	22,816,675	290%

Schedule of Funding Progress  
Missouri Local Government Employees Retirement System (LAGERS)  
City of Springfield

<u>Actuarial Valuation Date</u>	<u>(a) Actuarial value of assets</u>	<u>(b) Actuarial accrued liability</u>	<u>(b-a) Unfunded accrued liability (UAL)</u>	<u>(a/b) Funded ratio</u>	<u>(c) Annual covered payroll</u>	<u>[(b-a)/c] UAL as a percentage of covered payroll</u>
February 29, 2000	\$ 56,518,769	63,603,184	7,084,415	89%	\$ 28,643,514	25%
February 28, 2001	67,524,808	67,531,267	6,459	100%	30,137,994	0%
February 28, 2002	70,938,033	95,043,361	24,105,328	75%	33,261,359	72%

Note: The above assets and actuarial accrued liability do not include the assets and present value of benefits associated with the Benefit Reserve Fund.

Schedule of Funding Progress  
Missouri Local Government Employee Retirement System (LAGERS)  
City Utilities

<u>Actuarial Valuation Date</u>	<u>(a) Actuarial value of assets</u>	<u>(b) Actuarial accrued liability</u>	<u>(b-a) Unfunded accrued liability (UAL)</u>	<u>(a/b) Funded ratio</u>	<u>(c) Annual covered payroll</u>	<u>[(b-a)/c] UAL as a percentage of covered payroll</u>
February 29, 2000	\$ 88,323,000	128,148,000	39,825,000	69%	\$ 43,309,000	92%
February 28, 2001	103,011,000	150,817,000	47,806,000	68%	46,402,000	103%
February 28, 2002	108,984,000	159,976,000	50,992,000	68%	50,157,000	102%

Note: The above assets and actuarial liability do not include the assets and present value of benefits associated with the Benefit Reserve Fund and the Casualty Reserve Fund.

See independent auditors' report.



# CITY OF SPRINGFIELD, MISSOURI

## Required Supplementary Information

### Notes to Pension Data

Year ended June 30, 2002

#### Actuarial Methods and Assumptions:

	<b>Firemen's Retirement Fund</b>	<b>LAGERS</b>
Valuation date	June 30, 2003	February 28, 2002
Actuarial cost method	Entry age	Entry age
Amortization method	Level percent closed	Level percent open
Remaining amortization period	35 years	15 years
Asset valuation method	4-year smoothed market	5-year smoothed market
Actuarial assumptions:		
Investment rate of return	8.5%	7.5%
Projected salary increases, depending on age, attributable to seniority/merit	4.25% per year, with an additional 1% during each of the first six years of service	0.0% – 4.2%
Pre- and postretirement mortality based on the 1984 Group Annuity Mortality table set back	—%	1 year for men 7 years for women
Projected salary increases, attributable to inflation	3.0%	4.0%
Increase in benefits per year after retirement	3.0%	4.0%
	<b>Actuarial Required Contribution</b>	<b>Percent contributed</b>
June 30, 2001	\$ 4,497,049	100.0%
June 30, 2003	4,493,908	100.0%
June 30, 2003	5,196,810	100.0%

See independent auditors' report.

**CITY OF SPRINGFIELD, MISSOURI**

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2003

<b>Assets</b>	<b>Special Revenue</b>	<b>Debt Service</b>	<b>Capital Projects</b>	<b>Permanent</b>	<b>Total Nonmajor Governmental Funds</b>
Cash and cash equivalents	\$ 19,150,560	30,415,078	43,984,754	1,516,041	95,066,433
Accrued interest receivable	66,633	46,711	128,687	6,573	248,604
Special assessments receivable	—	1,735,783	—	—	1,735,783
Property taxes receivable:					
Current	6,962,088	5,696,255	—	—	12,658,343
Delinquent	260,469	213,111	—	—	473,580
	<u>7,222,557</u>	<u>5,909,366</u>	<u>—</u>	<u>—</u>	<u>13,131,923</u>
Less allowance for uncollectible amounts	(27,111)	(22,182)	—	—	(49,293)
Net property taxes receivable	<u>7,195,446</u>	<u>5,887,184</u>	<u>—</u>	<u>—</u>	<u>13,082,630</u>
Restricted cash and cash equivalents	—	6,919,598	—	—	6,919,598
Accounts receivable	930,611	242,244	377,289	—	1,550,144
Inventories	906,952	—	—	—	906,952
Due from other governments	1,215,462	—	812,811	—	2,028,273
Total assets	<u>\$ 29,465,664</u>	<u>45,246,598</u>	<u>45,303,541</u>	<u>1,522,614</u>	<u>121,538,417</u>
<b>Liabilities</b>					
Accounts payable and other accrued liabilities	\$ 3,172,482	806,147	2,786,425	—	6,765,054
Deferred revenue	7,439,460	7,355,966	476,832	—	15,272,258
Due to other governments	128,770	—	644,730	—	773,500
Due to other funds	496,589	—	897,749	—	1,394,338
Total liabilities	<u>11,237,301</u>	<u>8,162,113</u>	<u>4,805,736</u>	<u>—</u>	<u>24,205,150</u>
<b>Fund Balance</b>					
Reserved for encumbrances	9,100,221	—	10,972,654	—	20,072,875
Reserved for debt service	—	6,919,598	—	—	6,919,598
Unreserved, undesignated	9,128,142	30,164,887	29,525,151	1,522,614	70,340,794
Total fund balance	<u>18,228,363</u>	<u>37,084,485</u>	<u>40,497,805</u>	<u>1,522,614</u>	<u>97,333,267</u>
Total liabilities and fund balance	<u>\$ 29,465,664</u>	<u>45,246,598</u>	<u>45,303,541</u>	<u>1,522,614</u>	<u>121,538,417</u>

See accompanying independent auditors' report.

**CITY OF SPRINGFIELD, MISSOURI**  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balances—Nonmajor Governmental Funds  
Year ending June 30, 2003

	Special Revenue	Debt Service	Capital Projects	Permanent	Total Nonmajor Governmental Funds
Revenues:					
Property taxes	\$ 8,323,021	5,776,516	165,940	—	14,265,477
Sales taxes	14,237,316	3,800,436	15,523,685	—	33,561,437
Room taxes	1,089,211	—	—	—	1,089,211
Intergovernmental	8,407,771	—	1,103,817	—	9,511,588
Charges for current services	4,652,096	—	—	—	4,652,096
Contributions	—	—	—	700	700
Special assessments	—	594,082	—	—	594,082
Revenues from use of money and property	416,040	1,147,543	817,852	33,833	2,415,268
Other	2,006,617	119,623	1,510,299	20,536	3,657,075
Total revenues	39,132,072	11,438,200	19,121,593	55,069	69,746,934
Expenditures:					
Current:					
Public works	10,422,886	—	—	—	10,422,886
Public safety	8,919,012	—	—	—	8,919,012
Parks and recreation	11,904,953	—	—	33,778	11,938,731
Planning and development	417,538	—	—	—	417,538
Public health	6,876,349	—	—	—	6,876,349
General government	5,230,539	—	—	—	5,230,539
Debt service:					
Principal	—	9,795,360	—	—	9,795,360
Interest and other charges	—	9,822,192	—	—	9,822,192
Capital outlay:					
Public works	—	—	11,906,719	—	11,906,719
Public safety	—	—	5,356,688	—	5,356,688
Parks and recreation	—	—	8,825,186	—	8,825,186
Planning and development	—	—	1,871,982	—	1,871,982
Public health	—	—	1,305,700	—	1,305,700
General government	—	—	1,722,382	—	1,722,382
Total expenditures	43,771,277	19,617,552	30,988,657	33,778	94,411,264
Excess (deficiency) of revenues over (under) expenditures	(4,639,205)	(8,179,352)	(11,867,064)	21,291	(24,664,330)
Other financing sources (uses):					
Bond proceeds	—	11,032,042	7,700,000	—	18,732,042
Issuance of refunding bonds	—	5,470,000	—	—	5,470,000
Payment to escrow agent	—	(4,190,000)	—	—	(4,190,000)
Loan proceeds	—	—	—	—	—
Transfers in:					
General fund	3,682,547	859,472	501,350	—	5,043,369
Special revenue funds	27,603	1,869,481	1,148,264	—	3,045,348
Debt service funds	400,000	404,100	3,765,089	—	4,569,189
Capital projects funds	71,668	2,510,266	11,913	—	2,593,847
Proprietary funds	—	30,864	—	—	30,864
Transfers out:					
General fund	(808,000)	—	(325,433)	—	(1,133,433)
Special revenue funds	(39,601)	—	(400,000)	—	(439,601)
Debt service funds	(1,869,481)	(475,768)	(1,063,635)	—	(3,408,884)
Capital projects funds	(137,950)	(7,068,804)	(10,431)	—	(7,217,185)
Total other financing sources (uses)	1,326,786	10,441,653	11,327,117	—	23,095,556
Net change in fund balance	(3,312,419)	2,262,301	(539,947)	21,291	(1,568,774)
Fund balance, beginning of year	21,540,782	34,822,184	41,037,752	1,501,323	98,902,041
Fund balance, end of year	\$ 18,228,363	37,084,485	40,497,805	1,522,614	97,333,267

See accompanying independent auditors' report.

## **Nonmajor Governmental Funds**

### **Special Revenue Funds**

**Art Museum**—The Art Museum Fund was established by City Charter to account for the proceeds of a 4-cent ad valorem tax levy, which represents the primary source of funding for the activities of the Art Museum.

**Public Parks**—The Public Parks Fund was established by City Charter to account for the proceeds of an 18-cent ad valorem tax levy, which partially funds the activities of the City's parks system. The parks system also receives substantial revenues from concessions, zoo admissions, swimming, and softball fees.

**Public Health Services**—The Public Health Services Fund was established by City Charter to account for the proceeds of an 11-cent ad valorem tax levy, which partially funds the operation of the Springfield-Greene County Health Department. Substantial revenues are received from the federal, state, and Greene County governments to augment the tax levy to support the varied activities of the Health Department.

**Public Works Transportation**—The Public Works Transportation Fund was established to account for the City's street maintenance and traffic signalization activities. Operating revenues in this fund come primarily from state gasoline taxes and utility cut charges.

**Tourism/Convention Promotion**—The Tourism/Convention Promotion Fund accounts for the proceeds of the City's 2% hotel/motel tax. These funds are used exclusively by the tourism/convention board to promote the Springfield area throughout the Midwest as a convention center and family vacation area.

**Miscellaneous Special Revenue**—This fund was established to account for miscellaneous grants and special activities of the City that are designated for a specific purpose or period of time.

**WIC Program**—The WIC Program Fund accounts for federal grants from the United States Department of Agriculture for the Women, Infant's, and Children's Supplemental Food Program.

**Workforce Development**—The Workforce Development Fund accounts for federal grants from the United States Department of Labor in support of adult and youth jobs training under the Workforce Investment Act of 1998, as well as miscellaneous state grants.

**Road and Bridge Maintenance**—The Road and Bridge Maintenance Fund was established to account for the City's portion of the Greene County road and bridge tax. The funds are expended for local street repair and resurfacing.

**CITY OF SPRINGFIELD, MISSOURI**

Combining Balance Sheet

Nonmajor Special Revenue Funds

June 30, 2003

<b>Assets</b>	<b>Art Museum</b>	<b>Public Parks</b>	<b>Public Health Services</b>	<b>Public Works Transportation</b>	<b>Tourism/ Convention Promotion</b>	<b>Miscellaneous Special Revenue</b>	<b>WIC program</b>	<b>Workforce development</b>	<b>Road and Bridge Maintenance</b>	<b>Total</b>
Cash and cash equivalents	\$ 1,092,330	—	427,297	5,716,711	377,946	9,439,994	55,820	157,076	1,883,386	19,150,560
Accrued interest receivable	4,892	284	—	—	1,391	53,149	277	—	6,640	66,633
Property taxes receivable:										
Current	843,890	3,797,503	2,320,695	—	—	—	—	—	—	6,962,088
Delinquent	31,572	142,074	86,823	—	—	—	—	—	—	260,469
	875,462	3,939,577	2,407,518	—	—	—	—	—	—	7,222,557
Less allowance for uncollectible amounts	(3,286)	(14,788)	(9,037)	—	—	—	—	—	—	(27,111)
Net property taxes receivable	872,176	3,924,789	2,398,481	—	—	—	—	—	—	7,195,446
Accounts receivable	—	6,961	—	—	72,959	804,446	—	46,245	—	930,611
Notes and loans receivable, net of inventories	—	78,510	—	828,442	—	—	—	—	—	906,952
Due from other governments	—	—	—	—	—	565,903	37,309	612,250	—	1,215,462
Total assets	\$ 1,969,398	4,010,544	2,825,778	6,545,153	452,296	10,863,492	93,406	815,571	1,890,026	29,465,664
<b>Liabilities</b>										
Due to other funds	\$ —	496,589	—	—	—	—	—	—	—	496,589
Accounts payable	13,082	559,337	33,662	744,862	29,834	1,129,067	7,911	260,098	392,197	3,170,050
Retainages payable	—	—	—	—	—	—	—	—	—	—
and other accrued costs	—	2,432	—	—	—	—	—	—	—	2,432
Due to other governments	—	—	—	—	—	122,957	—	5,813	—	128,770
Deferred revenue	832,618	3,746,788	2,289,705	—	20,689	—	—	549,660	—	7,439,460
Total liabilities	845,700	4,805,146	2,323,367	744,862	50,523	1,252,024	7,911	815,571	392,197	11,237,301
<b>Fund Balance</b>										
Reserved for encumbrances	8,355	190,586	92,469	2,482,040	—	5,130,091	5,652	—	1,191,028	9,100,221
Unreserved, undesignated	1,115,343	(985,188)	409,942	3,318,251	401,773	4,481,377	79,843	—	306,801	9,128,142
Total fund balance	1,123,698	(794,602)	502,411	5,800,291	401,773	9,611,468	85,495	—	1,497,829	18,228,363
Total liabilities and fund balance	\$ 1,969,398	4,010,544	2,825,778	6,545,153	452,296	10,863,492	93,406	815,571	1,890,026	29,465,664

See accompanying independent auditors' report.

**CITY OF SPRINGFIELD, MISSOURI**

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Special Revenue Funds

Year ending June 30, 2003

	<b>Art Museum</b>	<b>Public Parks</b>	<b>Public Health Services</b>	<b>Public Works Transportation</b>	<b>Tourism/ Convention Promotion</b>	<b>Miscellaneous Special Revenue</b>	<b>WIC Program</b>	<b>Workforce Development</b>	<b>Road and Bridge Maintenance</b>	<b>Total</b>
Revenues:										
Sales taxes	\$ —	—	—	7,551,177	—	6,686,139	—	—	—	14,237,316
Property taxes	855,838	3,851,010	2,353,359	—	—	—	—	—	1,262,814	8,323,021
Room taxes	—	—	—	—	1,089,211	—	—	—	—	1,089,211
Interest	24,425	37,481	18,824	—	6,036	207,921	955	—	23,356	318,998
Rent	545	96,497	—	—	—	—	—	—	—	97,042
Charges for current services	27,992	3,209,920	549,004	331,400	—	533,780	—	—	—	4,652,096
Intergovernmental	—	439,033	1,362,929	—	—	3,019,070	511,728	3,075,011	—	8,407,771
Other	29,545	124,507	24,867	106,250	1,005,079	716,369	—	—	—	2,006,617
Total revenues	938,345	7,758,448	4,308,983	7,988,827	2,100,326	11,163,279	512,683	3,075,011	1,286,170	39,132,072
Expenditures:										
Current:										
Public works	—	—	—	9,521,142	—	—	—	—	901,744	10,422,886
Public safety	—	—	—	—	—	8,919,012	—	—	—	8,919,012
Parks and recreation	780,557	8,947,612	—	—	2,041,444	135,340	—	—	—	11,904,953
Planning and development	—	—	—	—	—	417,538	—	—	—	417,538
Public health	—	—	4,899,533	—	—	1,465,051	511,765	—	—	6,876,349
General government	3,438	526,122	196,814	39,797	—	1,389,357	—	3,075,011	—	5,230,539
Total expenditures	783,995	9,473,734	5,096,347	9,560,939	2,041,444	12,326,298	511,765	3,075,011	901,744	43,771,277
Excess (deficiency) of revenues over (under) expenditures	154,350	(1,715,286)	(787,364)	(1,572,112)	58,882	(1,163,019)	918	—	384,426	(4,639,205)
Other financing sources (uses):										
Transfers in:										
General fund	—	1,691,201	911,108	987,600	—	92,638	—	—	—	3,682,547
Special revenue funds	—	—	—	—	—	27,603	—	—	—	27,603
Capital projects funds	—	400,000	—	—	—	—	—	—	—	400,000
Trust funds	—	—	—	—	—	71,668	—	—	—	71,668
Transfers out:										
General fund	—	—	—	—	—	(808,000)	—	—	—	(808,000)
Special revenue funds	—	—	—	—	—	(27,601)	(12,000)	—	—	(39,601)
Debt service funds	—	(446,471)	—	—	—	(1,423,010)	—	—	—	(1,869,481)
Capital projects funds	—	(137,950)	—	—	—	—	—	—	—	(137,950)
Total other financing sources (uses)	—	1,506,780	911,108	987,600	—	(2,066,702)	(12,000)	—	—	1,326,786
Net change in fund balance	154,350	(208,506)	123,744	(584,512)	58,882	(3,229,721)	(11,082)	—	384,426	(3,312,419)
Fund balance, beginning of year	969,348	(586,096)	378,667	6,384,803	342,891	12,841,189	96,577	—	1,113,403	21,540,782
Fund balance, end of year	\$ 1,123,698	(794,602)	502,411	5,800,291	401,773	9,611,468	85,495	—	1,497,829	18,228,363

See accompanying independent auditors' report.

**CITY OF SPRINGFIELD, MISSOURI**

Budgetary Comparison Schedule—Art Museum Special Revenue Fund

Year ended June 30, 2003

	<b>Original and final budget</b>	<b>Actual</b>	<b>Variance with final budget— positive (negative)</b>
Revenues:			
Property taxes	\$ 795,722	855,838	60,116
Interest	29,500	24,425	(5,075)
Rent	1,000	545	(455)
Charges for current services	30,000	27,992	(2,008)
Other	26,000	29,545	3,545
Total revenues	882,222	938,345	56,123
Expenditures:			
Parks and recreation	946,813	780,557	166,256
General government	12,000	3,438	8,562
Total expenditures	958,813	783,995	174,818
Excess (deficiency) of revenues over (under expenditures)	(76,591)	154,350	230,941
Fund balances—beginning	969,348	969,348	—
Fund balances—end	\$ 892,757	1,123,698	230,941

See accompanying independent auditors' report.

**CITY OF SPRINGFIELD, MISSOURI**

Budgetary Comparison Schedule—Public Parks Special Revenue Fund

Year ended June 30, 2003

	<b>Original budget</b>	<b>Final budget</b>	<b>Actual</b>	<b>Variance with final budget— positive (negative)</b>
Revenues:				
Property taxes	\$ 3,640,491	3,640,491	3,851,010	210,519
Interest	42,920	48,920	37,481	(11,439)
Rent	96,400	96,400	96,497	97
Charges for current services	4,242,107	4,262,107	3,209,920	(1,052,187)
Intergovernmental	295,000	430,000	439,033	9,033
Other	165,088	199,752	124,507	(75,245)
Total revenues	8,482,006	8,677,670	7,758,448	(919,222)
Expenditures:				
Parks and recreation	11,008,598	10,481,939	8,947,612	1,534,327
General government	501,320	737,806	526,122	211,684
Total expenditures	11,509,918	11,219,745	9,473,734	1,746,011
Excess (deficiency) of revenues over (under) expenditures	(3,027,912)	(2,542,075)	(1,715,286)	826,789
Other financing sources (uses):				
Transfers in	2,320,597	2,320,597	2,091,201	(229,396)
Transfers out	(1,032,959)	(1,032,959)	(584,421)	448,538
Total other financing sources (uses)	1,287,638	1,287,638	1,506,780	219,142
Net change in fund balance	(1,740,274)	(1,254,437)	(208,506)	1,045,931
Fund balances—beginning	(586,096)	(586,096)	(586,096)	—
Fund balances—end	\$ (2,326,370)	(1,840,533)	(794,602)	1,045,931

See accompanying independent auditors' report.



**CITY OF SPRINGFIELD, MISSOURI**

Budgetary Comparison Schedule—Public Health Services Special Revenue Fund

Year ended June 30, 2003

	<b>Original budget</b>	<b>Final budget</b>	<b>Actual</b>	<b>Variance with final budget— positive (negative)</b>
Revenues:				
Property taxes	\$ 2,187,314	2,188,314	2,353,359	165,045
Interest	26,228	26,228	18,824	(7,404)
Charges for current services	512,500	512,500	549,004	36,504
Intergovernmental	1,283,000	1,362,964	1,362,929	(35)
Other	10,000	10,000	24,867	14,867
Total revenues	<u>4,019,042</u>	<u>4,100,006</u>	<u>4,308,983</u>	<u>208,977</u>
Expenditures:				
Public health	5,642,110	5,049,765	4,899,533	150,232
General government	—	—	196,814	(196,814)
Total expenditures	<u>5,642,110</u>	<u>5,049,765</u>	<u>5,096,347</u>	<u>(46,582)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,623,068)</u>	<u>(949,759)</u>	<u>(787,364)</u>	<u>162,395</u>
Other financing sources (uses):				
Transfers in	<u>1,355,829</u>	<u>911,108</u>	<u>911,108</u>	<u>—</u>
Net change in fund balance	<u>(267,239)</u>	<u>(38,651)</u>	<u>123,744</u>	<u>162,395</u>
Fund balances—beginning	<u>378,667</u>	<u>378,667</u>	<u>378,667</u>	<u>—</u>
Fund balances—end	<u>\$ 111,428</u>	<u>340,016</u>	<u>502,411</u>	<u>162,395</u>

See accompanying independent auditors' report.

**CITY OF SPRINGFIELD, MISSOURI**

Budgetary Comparison Schedule—Public Works Transportation Special Revenue Fund

Year ended June 30, 2003

	<b>Original budget</b>	<b>Final budget</b>	<b>Actual</b>	<b>Variance with final budget— positive (negative)</b>
Revenues:				
Sales taxes	\$ 7,425,000	7,425,000	7,551,177	117,319
Interest	—	—	—	—
Charges for current services	437,400	437,400	331,400	(106,000)
Other	—	—	106,250	106,250
Total revenues	<u>7,862,400</u>	<u>7,862,400</u>	<u>7,988,827</u>	<u>117,569</u>
Expenditures:				
Public works	12,313,551	12,875,825	9,521,142	3,354,683
General government	—	—	39,797	(39,797)
Total expenditures	<u>12,313,551</u>	<u>12,875,825</u>	<u>9,560,939</u>	<u>3,314,886</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,451,151)</u>	<u>(5,013,425)</u>	<u>(1,572,112)</u>	<u>3,441,313</u>
Other financing sources:				
Transfers in	<u>987,600</u>	<u>987,600</u>	<u>987,600</u>	<u>—</u>
Net change in fund balance	<u>(3,463,551)</u>	<u>(4,025,825)</u>	<u>(584,512)</u>	<u>3,441,313</u>
Fund balances—beginning	<u>6,384,803</u>	<u>6,384,803</u>	<u>6,384,803</u>	<u>—</u>
Fund balances—end	<u>\$ 2,921,252</u>	<u>2,358,978</u>	<u>5,800,291</u>	<u>3,441,313</u>

See accompanying independent auditors' report.

**CITY OF SPRINGFIELD, MISSOURI**

Budgetary Comparison Schedule—Tourism/Convention Promotion Special Revenue Fund

Year ended June 30, 2003

	<b>Original budget</b>	<b>Final budget</b>	<b>Actual</b>	<b>Variance with final budget— positive (negative)</b>
Revenues:				
Rooms taxes	\$ 2,065,045	1,064,000	1,089,211	25,211
Interest	—	7,800	6,036	(1,764)
Other	—	1,024,981	1,005,079	(19,902)
Total revenues	<u>2,065,045</u>	<u>2,096,781</u>	<u>2,100,326</u>	<u>3,545</u>
Expenditures:				
Parks and recreation	<u>2,065,045</u>	<u>2,094,781</u>	<u>2,041,444</u>	<u>53,337</u>
Total expenditures	<u>2,065,045</u>	<u>2,094,781</u>	<u>2,041,444</u>	<u>53,337</u>
Excess (deficiency) of revenues over (under) expenditures	—	2,000	58,882	56,882
Fund balances—beginning	<u>342,891</u>	<u>342,891</u>	<u>342,891</u>	<u>—</u>
Fund balances—end	<u>\$ 342,891</u>	<u>344,891</u>	<u>401,773</u>	<u>56,882</u>

See accompanying independent auditors' report.

**CITY OF SPRINGFIELD, MISSOURI**

Budgetary Comparison Schedule—Miscellaneous Special Revenue Fund

Year ended June 30, 2003

	<b>Original budget</b>	<b>Final budget</b>	<b>Actual</b>	<b>Variance with final budget— positive (negative)</b>
Revenues:				
Sales taxes	\$ 6,560,000	6,560,000	6,686,139	126,139
Interest	280,000	280,000	207,921	(72,079)
Charges for current services	582,001	582,001	533,780	(48,221)
Intergovernment	2,111,989	4,379,041	3,019,070	(1,359,971)
Other	126,967	167,716	716,369	548,653
Total revenues	9,660,957	11,968,758	11,163,279	(805,479)
Expenditures:				
Public safety	9,405,184	14,203,797	8,919,012	5,284,785
Parks and recreation	29,749	247,905	135,340	112,565
Planning and development	338,310	642,443	417,538	224,905
Public health	1,155,294	2,107,646	1,465,051	642,595
General government	2,193,561	2,630,958	1,389,357	1,241,601
Total expenditures	13,122,098	19,832,749	12,326,298	7,506,451
Excess (deficiency) of revenues over (under) expenditures	(3,461,141)	(7,863,991)	(1,163,019)	6,700,972
Other financing services (uses):				
Transfers in	1,450,528	178,430	191,909	13,479
Transfers out	—	—	(2,258,611)	(2,258,611)
Total other financing sources (uses)	1,450,528	178,430	(2,066,702)	(2,245,132)
Net change in fund balance	(2,010,613)	(7,685,561)	(3,229,721)	4,455,840
Fund balances—beginning	12,841,189	12,841,189	12,841,189	—
Fund balances—end	\$ 10,830,576	5,155,628	9,611,468	4,455,840

See accompanying independent auditors' report.

**CITY OF SPRINGFIELD, MISSOURI**

Budgetary Comparison Schedule—WIC Programs Special Revenue Fund

Year ended June 30, 2003

	<b>Original budget</b>	<b>Final budget</b>	<b>Actual</b>	<b>Variance with final budget— positive (negative)</b>
Revenues:				
Interest	\$ —	—	955	955
Intergovernmental	565,544	593,312	511,728	(81,584)
Total revenues	565,544	593,312	512,683	(80,629)
Expenditures:				
Public health	565,544	783,427	511,765	271,662
Total expenditures	565,544	783,427	511,765	271,662
Excess (deficiency) of revenues over (under) expenditures	—	(190,115)	918	191,033
Other financing sources:				
Transfers out	—	—	(12,000)	(12,000)
Net change in fund balance	—	(190,115)	(11,082)	179,033
Fund balances—beginning	96,577	96,577	96,577	—
Fund balances—end	\$ 96,577	(93,538)	85,495	179,033

See accompanying independent auditors' report.

# CITY OF SPRINGFIELD, MISSOURI

## Budgetary Comparison Schedule—Workforce Development Special Revenue Fund

Year ended June 30, 2003

	<b>Original and final budget</b>	<b>Actual</b>	<b>Variance with final budget— positive (negative)</b>
Revenues:			
Interest	\$ —	—	—
Intergovernmental	3,847,668	3,075,011	(772,657)
Total revenues	<u>3,847,668</u>	<u>3,075,011</u>	<u>(772,657)</u>
Expenditures:			
Planning and development	4,397,319	3,075,011	1,322,308
Total expenditures	<u>4,397,319</u>	<u>3,075,011</u>	<u>1,322,308</u>
Excess (deficiency) of revenues over (under expenditures)	(549,651)	—	549,651
Fund balances—beginning	<u>—</u>	<u>—</u>	<u>—</u>
Fund balances—end	<u>\$ (549,651)</u>	<u>—</u>	<u>549,651</u>

See accompanying independent auditors' report.

**CITY OF SPRINGFIELD, MISSOURI**

Budgetary Comparison Schedule—Road and Bridge Maintenance Special Revenue Fund

Year ended June 30, 2003

	<u>Original and final budget</u>	<u>Actual</u>	<u>Variance with final budget— positive (negative)</u>
Revenues:			
Property taxes	\$ 1,275,000	1,262,814	(12,186)
Interest	25,000	23,356	(1,644)
Total revenues	<u>1,300,000</u>	<u>1,286,170</u>	<u>(13,830)</u>
Expenditures:			
Public works	<u>2,533,980</u>	<u>901,744</u>	<u>1,632,236</u>
Total expenditures	<u>2,533,980</u>	<u>901,744</u>	<u>1,632,236</u>
Excess (deficiency) of revenues over (under expenditures)	(1,233,980)	384,426	1,618,406
Fund balances—beginning	<u>1,113,403</u>	<u>1,113,403</u>	<u>—</u>
Fund balances—end	<u>\$ (120,577)</u>	<u>1,497,829</u>	<u>1,618,406</u>

See accompanying independent auditors' report.

**Nonmajor Governmental Funds**  
**Debt Service Funds**

**Jordan Valley Park PBC**—This debt service fund accounts for the resources accumulated and payments made for principal and interest on the Public Building Corporation bonds issued on behalf of the Jordan Valley Park and the Springfield Recreational Ice Project. The Park will be owned by the City and operated by its Park Board.

**Highway Transportation Issue**—This debt service fund accounts for the resources accumulated and payments made for principal and interest on the bonds used for street and intersection improvements.

**LEST Radios**—This debt service fund accounts for the resources accumulated and payments made for principal and interest on the certificates of participation issued for the 800-Megahertz Trunked Radio System Project.

**General Obligation Issues**—This fund accounts for the debt service and refunding transactions on an \$18,740,000 bond issue, which provided for the refunding of a majority of the City's general obligation and special assessment debt in fiscal year 1994. This fund also accounts for \$10,300,000 in 1995 general obligation bonds issued for the construction of two fire stations, improvements to the fairgrounds grandstand, and storm water improvements. In addition, the fund accounts for the nonrefunded portion of the City's 1987 and 1989 special assessment bond issues and 1985 Storm Sewer Issue. Debt service on these issues is funded by general property taxes and transfers from the Sanitary Sewerage System and Special Assessment Issues Funds.

**Special Assessment Issues**—This fund accounts for the combined activity in the various special assessment districts established from the City's 1980, 1987, and 1989 special assessment bond issues, as well as for the City's neighborhood improvement districts. Proceeds from debt issuances are used to construct sanitary sewer districts and neighborhood improvement projects, with the cost of these improvements billed to the benefited property owners upon completion. Proceeds from these special tax bills are then used for debt service purposes.

**Busch Building/ERP System**—This debt service fund accounts for the resources accumulated and payments made for principal and interest on the bond issues related to the Busch Building Issue and the certificates of participation issued for the ERP System Project. Debt Service for the Busch Building Issue is funded by rental charges transferred from various City departments.

**1992 Parks Tennis Facility Issue**—This debt service fund accounts for the resources accumulated and payments made for principal and interest on the Public Building Corporation bonds used for the Cooper Park Indoor Tennis Facility. Debt service for this issue is funded by transfers from the Public Parks Fund.

**2001 PIC West**—This debt service fund accounts for the resources accumulated and payments made for principal and interest on the certificates of participation issued for the Partnership Industrial Center West Project.

**2001 Parks PBC**—This debt service fund accounts for the resources accumulated and payments made for principal and interest on the certificates of participation issued for the Springfield/Greene County Park Board Land Acquisition and Development Project.



**1995 Parks PBC**—This debt service fund accounts for the resources accumulated and payments made for principal and interest on the Public Building Corporation bonds issued that made park improvements at Cooper Park, Killian Park, and Dickerson Park Zoo. Debt service for this issue is funded by transfers from the Public Parks Fund.

**CITY OF SPRINGFIELD, MISSOURI**

Combining Balance Sheet

Nonmajor Debt Service Funds

June 30, 2003

Assets	Jordan Valley Park PBC	Highway Transportation	LEST Radios	General Obligation Issues	Special Assessments	Busch Building/ ERP System	1992 Parks Tennis Facility Issue	2001 PIC West	2001 Parks PBC	1995 Parks PBC	Total
Cash and cash equivalents	\$ 10,294,900	3,938,976	784,060	11,401,759	1,983,405	722,204	155,015	435,948	265,596	433,215	30,415,078
Accrued interest receivable	—	—	—	31,439	15,272	—	—	—	—	—	46,711
Special assessments receivable	—	—	—	—	1,735,783	—	—	—	—	—	1,735,783
Property taxes receivable:											
Current	—	—	—	5,696,255	—	—	—	—	—	—	5,696,255
Delinquent	—	—	—	213,111	—	—	—	—	—	—	213,111
	—	—	—	5,909,366	—	—	—	—	—	—	5,909,366
Less allowance for uncollectible amounts	—	—	—	(22,182)	—	—	—	—	—	—	(22,182)
Net property taxes receivable	—	—	—	5,887,184	—	—	—	—	—	—	5,887,184
Restricted cash and cash equivalents	—	6,919,598	—	—	—	—	—	—	—	—	6,919,598
Accounts receivable	126,793	—	—	111,148	—	4,303	—	—	—	—	242,244
Total assets	\$ 10,421,693	10,858,574	784,060	17,431,530	3,734,460	726,507	155,015	435,948	265,596	433,215	45,246,598
<b>Liabilities</b>											
Accounts payable	\$ —	37,047	—	759,670	501	—	—	—	—	—	797,218
Accrued interest payable	—	—	7,632	—	—	—	420	—	—	877	8,929
Deferred revenue	—	—	—	5,620,183	1,735,783	—	—	—	—	—	7,355,966
Total liabilities	—	37,047	7,632	6,379,853	1,736,284	—	420	—	—	877	8,162,113
<b>Fund Balance</b>											
Reserved for debt service	—	6,919,598	—	—	—	—	—	—	—	—	6,919,598
Unreserved, undesignated	10,421,693	3,901,929	776,428	11,051,677	1,998,176	726,507	154,595	435,948	265,596	432,338	30,164,887
Total fund balance	10,421,693	10,821,527	776,428	11,051,677	1,998,176	726,507	154,595	435,948	265,596	432,338	37,084,485
Total liabilities and fund balance	\$ 10,421,693	10,858,574	784,060	17,431,530	3,734,460	726,507	155,015	435,948	265,596	433,215	45,246,598

See accompanying independent auditors' report.

**CITY OF SPRINGFIELD, MISSOURI**  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Debt Service Funds  
Year ending June 30, 2003

	Jordan Valley Park PBC	Highway Transportation	LEST Radios	General Obligation Issues	Special Assessments	Busch Building/ ERP System	1992 Parks Tennis Facility Issue	2001 PIC West	2001 Parks PBC	1995 Parks PBC	Total
Revenues:											
Sales taxes	\$ —	—	—	—	—	—	—	—	3,800,436	—	3,800,436
Property taxes	—	—	—	5,776,516	—	—	—	—	—	—	5,776,516
Interest	309,924	203,639	144,906	223,382	66,303	135,226	141	5,342	522	58,158	1,147,543
Special assessments	—	—	—	—	594,082	—	—	—	—	—	594,082
Other	—	—	—	119,548	75	—	—	—	—	—	119,623
Total revenues	309,924	203,639	144,906	6,119,446	660,460	135,226	141	5,342	3,800,958	58,158	11,438,200
Expenditures:											
Debt service:											
Principal	145,000	2,585,000	900,000	1,945,000	95,000	805,000	95,000	—	3,010,000	215,360	9,795,360
Interest and other charges	4,282,079	1,111,468	588,917	1,959,070	186,199	729,301	41,413	159,406	643,857	120,482	9,822,192
Total expenditures	4,427,079	3,696,468	1,488,917	3,904,070	281,199	1,534,301	136,413	159,406	3,653,857	335,842	19,617,552
Excess (deficiency) of revenues over (under) expenditures	(4,117,155)	(3,492,829)	(1,344,011)	2,215,376	379,261	(1,399,075)	(136,272)	(154,064)	147,101	(277,684)	(8,179,352)
Other financing sources (uses):											
Bond proceeds	10,057,032	—	—	975,010	—	—	—	—	—	—	11,032,042
Issuance of refunding bonds	5,470,000	—	—	—	—	—	—	—	—	—	5,470,000
Payment to escrow agent	(4,190,000)	—	—	—	—	—	—	—	—	—	(4,190,000)
Transfers in:											
General fund	—	—	—	—	—	700,067	—	159,405	—	—	859,472
Special revenue funds	—	—	1,423,010	—	—	—	124,845	—	—	321,626	1,869,481
Debt service funds	—	—	—	404,100	—	—	—	—	—	—	404,100
Capital projects funds	1,408,680	124,891	755,634	216,464	—	—	—	4,597	—	—	2,510,266
Proprietary funds	—	—	—	—	—	30,864	—	—	—	—	30,864
Transfers out:											
Special revenue funds	—	—	—	—	—	—	—	—	—	—	—
Debt service funds	—	—	(71,668)	—	(404,100)	—	—	—	—	—	(475,768)
Capital projects funds	(1,531,758)	(1,771,957)	(488,883)	(3,237,515)	(4,050)	—	—	(34,641)	—	—	(7,068,804)
Total other financing sources (uses)	11,213,954	(1,647,066)	1,618,093	(1,641,941)	(408,150)	730,931	124,845	129,361	—	321,626	10,441,653
Net change in fund balance	7,096,799	(5,139,895)	274,082	573,435	(28,889)	(668,144)	(11,427)	(24,703)	147,101	43,942	2,262,301
Fund balance, beginning of year	3,324,894	15,961,422	502,346	10,478,242	2,027,065	1,394,651	166,022	460,651	118,495	388,396	34,822,184
Fund balance, end of year	\$ 10,421,693	10,821,527	776,428	11,051,677	1,998,176	726,507	154,595	435,948	265,596	432,338	37,084,485

See accompanying independent auditors' report.

## **Nonmajor Governmental Funds**

### **Capital Projects Funds**

**Transportation Sales Tax**—This fund accounts for the proceeds of the City's one-eighth cent transportation sales tax, which was approved by voters in November 1996 and took effect April 1, 1997. Proceeds are dedicated to construction of improvements to state highways located within the City of Springfield under the authority of the State Highway Improvement Corporation. Through voter approval, this four-year tax was renewed on April 1, 2001, and the proceeds for highway improvements are disbursed at the discretion of the City and are not under the authority of the Corporation.

**Public Parks Improvement**—This fund accounts for construction of an indoor tennis facility at Cooper Park and a large park area in central Springfield. Also included in this fund are construction costs for several greenway trails and linear park projects in the southwestern part of the City. The Cooper Tennis Facility is funded by donations from both the Cooper family and other private citizens, contributions by the City, and proceeds of a \$1,265,000 bond issue. The greenway trails are funded by proceeds from the sale of city-owned property, designated by City Council for use in completion of this project, and by federal grants and other City matching contributions.

**Public Works Improvement**—This fund accounts for various public works improvement projects constructed from various federal and state grants and other revenues. This fund also accounts for the City's joint venture expenditures related to the development of an industrial park.

**Capital Improvements Sales Tax**—This fund accounts for the proceeds of the City's one-quarter cent capital improvements sales tax, which was initially approved by voters in August 1989, and first went into effect October 1, 1989. Voters approved three-year extensions of this sales tax in 1992, 1995, 1998, and 2001. The tax will expire September 30, 2004 unless extended for an additional three years by popular vote. Proceeds are used to construct various capital improvement projects throughout the City.

**Special Assessment Issues**—This fund accounts for the continuation of the City's sanitary sewer and neighborhood improvement district construction projects. Funding for these projects comes from the proceeds of three \$3 million special assessment bond issues sold in 1987, 1989, and 2001, and other borrowings used to finance the neighborhood district improvements.

**Capital Lease Projects**—This fund accounts for the proceeds of the City's capital leases. These proceeds are used to finance various equipment purchases and capital improvement projects.

**Storm Sewer, Fairgrounds, and Fire Station Projects**—This fund accounts for the construction of two fire stations, improvements to the fairgrounds grandstand, and storm water improvements. The State of Missouri provided matching funds for the fairgrounds project, which are also accounted for in this fund.

**LEST Radios Bond Issue 2000**—This fund accounts for the construction of an 800-Megahertz Trunked Radio System to provide improved law enforcement and public safety communications that will allow for encryption of messages and facilitate in-building coverage. This project is a combined effort between the City of Springfield, City Utilities, and Greene County.

**Miscellaneous Capital Projects**—These funds account for the City’s developer agreements and the Art Museum Expansion. Under terms of these developer agreements, up to 50% of the incremental increases, if any, in one-cent general sales tax revenues generated by businesses developed in specified areas are utilized to reimburse the cost of necessary public improvements made and paid for by developers. Funding for this expansion has come from benefactors of the Art Museum, along with funds transferred from the Art Museum’s fund balance.

**CITY OF SPRINGFIELD, MISSOURI**

Combining Balance Sheet

Nonmajor Capital Projects Funds

June 30, 2003

	Transportation Sales Tax	Public Parks Improvement	Public Works Improvement	Capital Improvement Sales Tax	Special Assessment Issues	Capital Lease Projectrs	Storm Sewer Fairgrounds Fire Station Projects	LEST Radios Bond Issue 2000	Miscellaneous Capital Projects	Total
<b>Assets</b>										
Cash and cash equivalents	\$ 11,468,068	—	314,242	4,761,468	121,459	—	9,779,223	—	17,540,294	43,984,754
Accrued interest receivable	93,240	—	8,409	22,371	—	—	—	—	4,667	128,687
Accounts receivable	—	—	—	—	—	377,289	—	—	—	377,289
Due from other governments	—	—	812,811	—	—	—	—	—	—	812,811
Total assets	\$ 11,561,308	—	1,135,462	4,783,839	121,459	377,289	9,779,223	—	17,544,961	45,303,541
<b>Liabilities</b>										
Due to other funds	\$ —	569	—	—	—	789,829	—	107,351	—	897,749
Accounts payable	197,064	1,500	104,714	164,310	103,835	22,644	299,864	—	1,056,332	1,950,263
Anticipation notes payable	—	—	—	—	—	—	—	—	—	—
Retainages payable	—	—	43,302	236,564	15,942	—	60,487	—	478,302	834,597
Accrued interest payable and other accrued costs	—	—	—	—	—	—	—	—	1,565	1,565
Due to other governments	—	—	644,730	—	—	—	—	—	—	644,730
Deferred revenue	—	—	—	—	—	476,832	—	—	—	476,832
Total liabilities	197,064	2,069	792,746	400,874	119,777	1,289,305	360,351	107,351	1,536,199	4,805,736
<b>Fund Balance</b>										
Reserved for encumbrances	—	295,744	444,469	1,969,597	87,214	553,094	1,119,547	318,018	6,184,971	10,972,654
Unreserved, undesignated	11,364,244	(297,813)	(101,753)	2,413,368	(85,532)	(1,465,110)	8,299,325	(425,369)	9,823,791	29,525,151
Total fund balance	11,364,244	(2,069)	342,716	4,382,965	1,682	(912,016)	9,418,872	(107,351)	16,008,762	40,497,805
Total liabilities and fund balance	\$ 11,561,308	—	1,135,462	4,783,839	121,459	377,289	9,779,223	—	17,544,961	45,303,541

See accompanying independent auditors' report.

**CITY OF SPRINGFIELD, MISSOURI**

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Capital Projects Funds

Year ending June 30, 2003

	Transportation Sales Tax	Public Parks Improvement	Public Works Improvement	Capital Improvement Sales Tax	Special Assessment Issues	Capital Lease Projects	Storm Sewer Fairgrounds Fire Station Projects	LEST Radios Bond Issue 2002	Miscellaneous Capital Projects	Total
Revenues:										
Sales taxes	\$ 4,061,289	—	—	8,125,246	—	—	—	—	3,337,150	15,523,685
Property taxes	—	—	—	—	—	—	—	—	165,940	165,940
Interest	241,416	1,719	36,342	81,326	—	8,433	158,684	27,291	262,641	817,852
Intergovernmental	—	212,582	887,297	—	—	—	—	—	3,938	1,103,817
Other	—	—	1,086,550	—	—	208,059	79,924	—	135,766	1,510,299
Total revenues	4,302,705	214,301	2,010,189	8,206,572	—	216,492	238,608	27,291	3,905,435	19,121,593
Expenditures:										
Capital outlay:										
Public works	863,840	—	1,147,649	4,849,720	—	170,495	4,875,015	—	—	11,906,719
Public safety	—	—	—	—	—	673,313	2,928,365	1,755,010	—	5,356,688
Parks and recreation	—	138,967	—	2,661,999	—	222,778	32,000	—	5,769,442	8,825,186
Planning and development	—	—	1,171,653	—	—	—	268,104	—	432,225	1,871,982
Public health	—	—	—	—	1,242,802	—	43,643	—	19,255	1,305,700
General government	—	—	—	—	—	—	79,368	—	1,643,014	1,722,382
Total expenditures	863,840	138,967	2,319,302	7,511,719	1,242,802	1,066,586	8,226,495	1,755,010	7,863,936	30,988,657
Excess (deficiency) of revenues over (under) expenditures	3,438,865	75,334	(309,113)	694,853	(1,242,802)	(850,094)	(7,987,887)	(1,727,719)	(3,958,501)	(11,867,064)
Other financing sources (uses):										
Bond proceeds	—	—	—	—	—	—	7,700,000	—	—	7,700,000
Transfers in:										
General fund	—	200,000	—	—	—	301,350	—	—	—	501,350
Special revenue funds	—	—	—	—	—	137,950	—	—	1,010,314	1,148,264
Debt service funds	—	4,050	34,641	—	—	—	3,237,515	488,883	—	3,765,089
Capital projects funds	—	—	11,913	—	—	—	—	—	—	11,913
Transfers out:										
General fund	—	—	—	(325,433)	—	—	—	—	—	(325,433)
Special revenue funds	—	—	—	—	—	—	—	—	(400,000)	(400,000)
Debt service funds	(124,891)	—	(4,597)	—	—	—	(178,513)	(755,634)	—	(1,063,635)
Capital projects funds	—	—	—	(10,431)	—	—	—	—	—	(10,431)
Total other financing sources (uses)	(124,891)	204,050	41,957	(335,864)	—	439,300	10,759,002	(266,751)	610,314	11,327,117
Net change in fund balance	3,313,974	279,384	(267,156)	358,989	(1,242,802)	(410,794)	2,771,115	(1,994,470)	(3,348,187)	(539,947)
Fund balance, beginning of year	8,050,270	(281,453)	609,872	4,023,976	1,244,484	(501,222)	6,647,757	1,887,119	19,356,949	41,037,752
Fund balance, end of year	\$ 11,364,244	(2,069)	342,716	4,382,965	1,682	(912,016)	9,418,872	(107,351)	16,008,762	40,497,805

See accompanying independent auditors' report.

## **Nonmajor Governmental Funds**

### **Permanent Funds**

**Perpetual Care**—The Perpetual Care Fund was established to account for the activities of maintaining the City-owned cemetery.

**Art Museum Endowment**—This fund accounts for donations and gifts from third parties whose contributions are designated for the Art Museum Endowment Fund, and any monies or other property transferred to the Art Museum Endowment Fund by the Springfield Art Museum board of directors.



**CITY OF SPRINGFIELD, MISSOURI**

Combining Balance Sheet

Nonmajor Permanent Funds

June 30, 2003

<b>Assets</b>	<b>Perpetual Care</b>	<b>Art Museum Endowment</b>	<b>Total</b>
Cash and cash equivalents	\$ 863,832	652,209	1,516,041
Accrued interest receivable	3,538	3,035	6,573
Total assets	<u>\$ 867,370</u>	<u>655,244</u>	<u>1,522,614</u>
<b>Fund Balance</b>			
Unreserved, undesignated	<u>867,370</u>	<u>655,244</u>	<u>1,522,614</u>
Total liabilities and fund balance	<u>\$ 867,370</u>	<u>655,244</u>	<u>1,522,614</u>

See accompanying independent auditors' report.

**CITY OF SPRINGFIELD, MISSOURI**

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Permanent Funds

Year ending June 30, 2003

	<b>Perpetual Care</b>	<b>Art Museum Endowment</b>	<b>Total</b>
Revenues:			
Interest	\$ 19,171	14,662	33,833
Perpetual care	20,536	—	20,536
Contributions	—	700	700
Total revenues	<u>39,707</u>	<u>15,362</u>	<u>55,069</u>
Expenditures:			
Current:			
Parks and recreation	—	33,778	33,778
Total expenditures	<u>—</u>	<u>33,778</u>	<u>33,778</u>
Excess (deficiency) of revenues over (under) expenditures	<u>39,707</u>	<u>(18,416)</u>	<u>21,291</u>
Net change in fund balance	39,707	(18,416)	21,291
Fund balance, beginning of year	<u>827,663</u>	<u>673,660</u>	<u>1,501,323</u>
Fund balance, end of year	<u>\$ 867,370</u>	<u>655,244</u>	<u>1,522,614</u>

See accompanying independent auditors' report.

### **Internal Service Funds**

**Service Center**—This fund accounts for the operations of the City's central garage. Revenues are generated almost exclusively from billings to other City departments.

**Print Shop**—This fund accounts for the operations of the City's print shop. Revenues are generated almost exclusively from billings to other City departments.

**Self-Insurance**—The Self-Insurance Fund was established to account for the City's employee medical and workers' compensation insurance programs. All contributions, both City and employee, are held by this fund to pay medical expenses of the participants, as well as medical and indemnity claims related to workers' compensation.

**CITY OF SPRINGFIELD, MISSOURI**

Combining Statement of Net Assets

Internal Service Funds

Year ended June 30, 2003

<b>Assets</b>	<b>Service Center</b>	<b>Print Shop</b>	<b>Self – Insurance</b>	<b>Total</b>
Current assets:				
Cash and cash equivalents	\$ 119,325	(76,414)	1,245,293	1,288,204
Inventories	261,648	34,224	—	295,872
Due from other funds	—	—	46,692	46,692
Accrued interest receivable	396	—	13,496	13,892
Total current assets	381,369	(42,190)	1,305,481	1,644,660
Property, plant, and equipment:				
Land	23,614	—	—	23,614
Buildings	1,042,726	—	—	1,042,726
Improvements other than buildings	237,818	—	—	237,818
Machinery and equipment	191,446	38,315	14,658	244,419
Construction in progress	15,371	—	—	15,371
	1,510,975	38,315	14,658	1,563,948
Less accumulated depreciation	(1,337,674)	(38,315)	(5,634)	(1,381,623)
Total capital assets (net of accumulated depreciation)	173,301	—	9,024	182,325
Total assets	554,670	(42,190)	1,314,505	1,826,985
<b>Liabilities and Net Assets</b>				
Current liabilities:				
Accounts payable	\$ 97,772	4,983	52,119	154,874
Accrued compensated absences and other accrued costs	24,008	3,534	12,601	40,143
Estimated liability for incurred but unreported claims	—	—	3,450,000	3,450,000
Total current liabilities	121,780	8,517	3,514,720	3,645,017
Long-term debt, less current maturities:				
Accrued compensated absences	73,214	22,633	19,907	115,754
Total liabilities	194,994	31,150	3,534,627	3,760,771
Net assets:				
Invested in capital assets, net of related debt	173,301	—	9,024	182,325
Unrestricted	186,375	(73,340)	(2,229,146)	(2,116,111)
Total net assets	\$ 359,676	(73,340)	(2,220,122)	(1,933,786)

See accompanying independent auditors' report.

**CITY OF SPRINGFIELD, MISSOURI**

Combining Statement of Revenues, Expenses, and  
Changes in Retained Earnings (Deficits)

Internal Service Funds

Fiscal year ended June 30, 2003

	<u>Service Center</u>	<u>Print Shop</u>	<u>Self- Insurance</u>	<u>Total</u>
Operating revenues:				
Billings to departments	\$ 2,393,020	205,014	1,148,875	3,746,909
Contributions—City	—	—	5,560,310	5,560,310
Contributions—employees	—	—	3,251,701	3,251,701
Miscellaneous income	4,376	—	1,206	5,582
Total operating revenues	<u>2,397,396</u>	<u>205,014</u>	<u>9,962,092</u>	<u>12,564,502</u>
Operating expenses:				
Cost of materials used:				
Beginning inventory	274,027	40,996	—	315,023
Net purchases	1,094,313	69,239	—	1,163,552
	<u>1,368,340</u>	<u>110,235</u>	<u>—</u>	<u>1,478,575</u>
Ending inventory	(261,648)	(34,224)	—	(295,872)
Total cost of materials used	<u>1,106,692</u>	<u>76,011</u>	<u>—</u>	<u>1,182,703</u>
Other operating expenses:				
Personal services	976,577	105,182	715,233	1,796,992
Charges for services	268,641	5,761	8,866,742	9,141,144
Rent	—	61,034	—	61,034
Depreciation	46,923	—	—	46,923
Total other operating expenses	<u>1,292,141</u>	<u>171,977</u>	<u>9,581,975</u>	<u>11,046,093</u>
Total operating expenses	<u>2,398,833</u>	<u>247,988</u>	<u>9,581,975</u>	<u>12,228,796</u>
Operating income gain (loss)	<u>(1,437)</u>	<u>(42,974)</u>	<u>380,117</u>	<u>335,706</u>
Nonoperating revenues (expenses):				
Interest	1,387	(57)	41,885	43,215
Total nonoperating revenues (expenses)	<u>1,387</u>	<u>(57)</u>	<u>41,885</u>	<u>43,215</u>
Change in net assets	(50)	(43,031)	422,002	378,921
Total net assets—beginning	<u>359,726</u>	<u>(30,309)</u>	<u>(2,642,124)</u>	<u>(2,312,707)</u>
Total net assets—ending	<u>\$ 359,676</u>	<u>(73,340)</u>	<u>(2,220,122)</u>	<u>(1,933,786)</u>

See accompanying independent auditors' report.

**CITY OF SPRINGFIELD, MISSOURI**

Combining Statement of Cash Flows

Internal Services Funds

Fiscal year ended June 30, 2003

	<u>Service Center</u>	<u>Print Shop</u>	<u>Self- Insurance</u>	<u>Total</u>
Cash flows from operating activities:				
Cash received from users	\$ 2,397,396	205,014	9,962,092	12,564,502
Cash paid to suppliers	(1,401,545)	(136,487)	(8,685,175)	(10,223,207)
Cash paid to employees	(962,430)	(107,069)	(719,615)	(1,789,114)
Net cash provided by (used in) operating activities	<u>33,421</u>	<u>(38,542)</u>	<u>557,302</u>	<u>552,181</u>
Cash flows from capital and related financing activities:				
Additions to property, plant and equipment	(2,741)	—	(6,215)	(8,956)
Cash flows from investing activities:				
Interest received	<u>1,406</u>	<u>(57)</u>	<u>46,264</u>	<u>47,613</u>
Net increase (decrease) in cash and cash equivalents	<u>32,086</u>	<u>(38,599)</u>	<u>597,351</u>	<u>590,838</u>
Cash and cash equivalents, beginning of year	<u>87,239</u>	<u>(37,815)</u>	<u>647,942</u>	<u>697,366</u>
Cash and cash equivalents, end of year	<u>\$ 119,325</u>	<u>(76,414)</u>	<u>1,245,293</u>	<u>1,288,204</u>
Reconciliation of operating gain (loss) to net cash provided by (used in) operating activities:				
Operating loss	\$ (1,437)	(42,974)	380,117	335,706
Adjustments to reconcile operating loss to net cash used in operating activities:				
Depreciation and amortization	46,923	—	3,436	50,359
Decrease in:				
Inventories	12,379	6,772	—	19,151
Due from other funds	—	—	(128)	(128)
Increase (decrease) in:				
Accounts payable	(17,124)	(1,059)	28,259	10,076
Due to other funds	(21,467)	—	—	(21,467)
Estimated liability for incurred but unreported claims	—	—	150,000	150,000
Accrued compensated absences	<u>14,147</u>	<u>(1,281)</u>	<u>(4,382)</u>	<u>8,484</u>
Total adjustments	<u>34,858</u>	<u>4,432</u>	<u>177,185</u>	<u>216,475</u>
Net cash provided by (used in) operating activities	<u>\$ 33,421</u>	<u>(38,542)</u>	<u>557,302</u>	<u>552,181</u>

See accompanying independent auditors' report.

### **Agency Funds**

**Cooper Tennis Trust**—This agency fund accounts for the assets and liabilities of the Cooper Tennis Trust Fund, which provides for the maintenance of Cooper Park.

**Municipal Court Bond**—This agency fund was created to account for cash bonds received at the Municipal Court.

**Revolving Payroll Fund**—This agency fund accounts for the liability transactions of the City's payroll system.

**Library Fund**—This agency fund was established to account for revenues and expenditures of the Springfield-Greene County Library. The library is a separate political entity for which the City of Springfield provides accounting services at no cost, in accordance with state statute.

**CITY OF SPRINGFIELD, MISSOURI**

Combining Balance Sheet

Agency Funds

June 30, 2003

<b>Assets</b>	<b>Cooper Tennis Trust</b>	<b>Municipal Court Bond</b>	<b>Revolving Payroll</b>	<b>Library</b>	<b>Total</b>
Cash and short-term investments	\$ 493,070	83,713	4,372,801	4,891,745	9,841,329
Property taxes receivable:					
Current	—	—	—	8,323,549	8,323,549
Delinquent	—	—	—	60,904	60,904
	—	—	—	8,384,453	8,384,453
Less allowance for uncollectible amounts	—	—	—	(326,546)	(326,546)
Net property taxes receivable	—	—	—	8,057,907	8,057,907
Accounts receivable	224,950	—	—	—	224,950
Accrued interest receivable	2,766	—	—	4,077	6,843
Due from other governments	—	—	—	14,489	14,489
Total assets	<u>\$ 720,786</u>	<u>83,713</u>	<u>4,372,801</u>	<u>12,968,218</u>	<u>18,145,518</u>
<b>Liabilities</b>					
Accounts payable	\$ 3,750	—	4,011,104	662,881	4,677,735
Due to other funds	—	—	361,697	—	361,697
Due to other governments	—	—	—	12,305,006	12,305,006
Escrows payable	717,036	—	—	331	717,367
Municipal court bond deposits	—	83,713	—	—	83,713
Total liabilities	<u>\$ 720,786</u>	<u>83,713</u>	<u>4,372,801</u>	<u>12,968,218</u>	<u>18,145,518</u>

See accompanying independent auditors' report.



## Statistical Section

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CITY OF SPRINGFIELD, MISSOURI  
GOVERNMENT-WIDE EXPENSES BY FUNCTION  
LAST TWO FISCAL YEARS

TABLE 1

Fiscal Year	General Government	Public Works	Public Safety	Parks and Recreation	Planning and Development	Public Health	Total
2001-02	\$15,438,654	\$17,632,822	\$46,642,300	\$13,195,378	\$3,960,801	\$7,019,196	\$103,889,151
2002-03	16,262,936	14,816,445	47,943,872	21,667,728	6,202,362	8,175,010	115,068,353

**CITY OF SPRINGFIELD, MISSOURI  
GOVERNMENT-WIDE REVENUES BY FUNCTION  
LAST TWO FISCAL YEARS**

**TABLE 2**

Fiscal Year	PROGRAM REVENUES			GENERAL REVENUES			Total
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Taxes	Unrestricted Investment Earnings	Miscellaneous	
2001-02	\$ 6,544,325	\$ 12,879,224	\$ 1,710,649	\$ 81,373,584	\$ 4,238,274	\$ 18,874,315	\$ 125,620,371
2002-03	7,126,422	17,975,306	1,574,690	89,635,568	2,941,918	21,288,268	140,542,172

**CITY OF SPRINGFIELD, MISSOURI  
GENERAL GOVERNMENTAL EXPENSES BY FUNCTION (1)  
LAST TEN FISCAL YEARS**

**TABLE 3**

<b>Fiscal Year</b>	<b>General Government</b>	<b>Public Safety</b>	<b>Public Works</b>	<b>Public Health</b>	<b>Parks and Recreation</b>	<b>Planning and Development</b>	<b>Human Resources</b>	<b>Debt Service</b>	<b>Total</b>
1993-94	\$12,529,895	\$ 20,981,171	\$ 5,991,275	\$3,908,514	\$ 4,086,317	\$ 6,313,729	\$2,770,119	\$ 5,296,350	<b>\$ 61,877,370</b>
1994-95	11,828,966	24,039,448	7,383,268	3,914,722	4,083,594	7,123,750	2,935,009	5,642,281	<b>66,951,038</b>
1995-96	13,775,242	26,548,394	8,576,825	4,497,763	4,178,098	7,350,589	2,288,977	6,226,274	<b>73,442,162</b>
1996-97	13,400,303	28,702,058	7,438,430	5,250,222	5,007,434	8,928,117	2,155,596	5,837,890	<b>76,720,050</b>
1997-98	14,063,545	31,220,099	7,722,489	5,443,397	4,893,441	9,948,524	2,280,216	5,311,099	<b>80,882,810</b>
1998-99	20,323,858	33,223,554	9,300,141	5,423,398	4,492,472	8,859,412	2,365,315	6,822,314	<b>90,810,464</b>
1999-00	18,195,039	35,236,040	7,906,713	5,585,551	4,244,811	9,335,281	3,099,683	9,511,590	<b>93,114,708</b>
2000-01	18,521,477	39,178,966	10,918,932	5,666,864	5,786,689	9,128,588	3,217,606	10,521,113	<b>102,940,235</b>
2001-02	14,733,507	44,464,942	14,802,555	6,853,058	12,420,032	5,670,462	-	12,716,295	<b>111,660,851</b>
2002-03	15,597,354	48,374,183	16,455,156	6,876,349	11,995,668	7,388,989	-	18,764,435	<b>125,452,134</b>

1. Includes General, Special Revenue and Debt Service Funds.

**CITY OF SPRINGFIELD, MISSOURI  
GENERAL GOVERNMENTAL REVENUES BY SOURCE (1)  
LAST TEN FISCAL YEARS**

**TABLE 4**

<b>Fiscal Year</b>	<b>Taxes</b>	<b>Licenses and Permits</b>	<b>Intergovernmental</b>	<b>Charges for Services</b>	<b>Fines and Forfeitures</b>	<b>Interest</b>	<b>Special (2) Assessments</b>	<b>Miscellaneous</b>	<b>Total</b>
1993-94	\$40,089,199	\$ 2,028,006	\$ 13,799,273	\$ 4,284,423	\$ 1,222,097	\$1,154,172	\$ 722,782	\$ 5,842,184	\$ 69,142,136
1994-95	40,990,268	2,231,136	15,715,389	4,911,852	1,270,843	1,751,420	549,920	6,732,229	74,153,057
1995-96	42,462,531	2,213,202	16,283,359	4,545,529	1,164,572	2,730,165	421,426	6,659,425	76,480,209
1996-97	42,271,528	2,357,483	16,421,778	4,832,802	1,179,534	2,391,816	225,286	7,774,852	77,455,079
1997-98	47,316,495	2,414,827	17,769,950	4,858,508	1,508,324	2,180,051	231,698	8,880,547	85,160,400
1998-99	54,990,710	2,594,187	17,341,897	5,487,845	1,675,084	2,858,825	72,788	9,162,131	94,183,467
1999-00	57,679,890	2,754,813	18,614,731	5,286,365	1,412,994	5,407,123	431,106	8,802,022	100,389,044
2000-01	63,454,912	2,731,079	18,813,351	5,649,820	1,086,772	7,044,863	130,065	11,448,385	110,359,247
2001-02	67,815,761	2,754,099	13,798,632	6,544,325	1,133,461	3,634,318	457,012	11,804,556	107,942,164
2002-03	74,173,421	2,824,732	19,549,996	7,126,422	1,364,153	2,941,918	594,082	14,214,073	122,788,797

1. Includes General, Special Revenue and Debt Service Funds.  
2. Special assessment collections previously recorded in the special assessment fund type have been excluded.

**CITY OF SPRINGFIELD, MISSOURI  
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE (1)  
LAST TEN FISCAL YEARS**

**TABLE 4A**

<b>Fiscal Year</b>	<b>Sales Taxes</b>	<b>Use Taxes (2)</b>	<b>Property Taxes</b>	<b>Franchise Taxes</b>	<b>Cigarette Taxes</b>	<b>Room Taxes</b>	<b>Total</b>
1993-94	\$25,238,740	\$ 3,378,109	\$ 7,462,646	\$ 2,306,848	\$ 879,922	\$ 822,934	<b>\$40,089,199</b>
1994-95	27,042,496	2,038,559	7,654,707	2,501,914	881,163	871,429	<b>40,990,268</b>
1995-96	27,741,003	1,575,367	8,546,301	2,773,653	957,809	868,398	<b>42,462,531</b>
1996-97	27,728,533	876,157	9,044,937	3,010,440	940,374	864,834	<b>42,465,275</b>
1997-98	29,732,969	2,518,931	9,960,996	3,152,851	1,042,138	908,610	<b>47,316,495</b>
1998-99	36,407,724	2,833,514	10,271,487	3,454,034	1,014,167	1,009,784	<b>54,990,710</b>
1999-00	37,910,535	3,244,752	10,967,544	3,505,405	993,892	1,057,762	<b>57,679,890</b>
2000-01	43,742,582	3,033,181	11,306,303	3,129,014	982,400	1,261,432	<b>63,454,912</b>
2001-02	45,836,776	2,963,847	13,893,784	3,108,265	958,280	1,054,809	<b>67,815,761</b>
2002-03	52,813,994	1,513,175	12,836,723	3,152,357	940,611	1,089,211	<b>72,346,071</b>

1. Includes General, Special Revenue and Debt Service Funds.

2. 1993-94 use tax revenues represent a cumulative one-time transfer from the nonexpendable trust fund.

1996-97 use tax revenues represent nine month collections. State of Missouri stopped collecting due to legal challenge.

**CITY OF SPRINGFIELD, MISSOURI  
PROPERTY TAX LEVIES AND COLLECTIONS (1)  
LAST TEN FISCAL YEARS**

**TABLE 5**

<b>Fiscal Year</b>	<b>Total Tax Levy</b>	<b>Current Tax Collections</b>	<b>Percent of Current Taxes Collected</b>	<b>Delinquent Tax Collections</b>	<b>Total Tax Collections</b>	<b>Ratio of Total Tax Collections to Total Levy</b>	<b>Outstanding Delinquent Taxes</b>	<b>Ratio of Delinquent Taxes to Total Tax Levy</b>
1993-94	\$ 7,161,922	\$6,968,863	97.30%	\$228,334	\$7,197,197	100.49%	\$237,162	3.31%
1994-95	7,552,573	7,260,083	96.13%	197,194	7,457,277	98.74%	274,078	3.63%
1995-96	8,340,882	8,152,573	97.74%	161,528	8,314,101	99.68%	375,906	4.51%
1996-97	8,855,824	8,653,376	97.71%	209,932	8,863,308	100.08%	404,914	4.57%
1997-98	9,604,533	9,490,881	98.82%	266,712	9,757,593	101.59%	327,897	3.41%
1998-99	10,134,348	10,026,502	98.94%	257,456	10,283,958	101.48%	222,642	2.20%
1999-00	10,520,054	10,407,141	98.93%	234,274	10,641,415	101.15%	126,127	1.20%
2000-01	11,063,414	10,931,511	98.81%	303,124	11,234,635	101.55%	360,054	3.25%
2001-02	12,259,484	12,005,893	97.93%	384,619	12,390,512	101.07%	462,138	3.77%
2002-03	12,407,431	12,292,076	99.10%	426,733	12,673,304	102.14%	473,579	3.82%

1. Collection data is presented on the cash basis

**CITY OF SPRINGFIELD, MISSOURI  
ASSESSED AND ESTIMATED ACTUAL VALUE OF PROPERTY  
LAST TEN FISCAL YEARS**

**TABLE 6**

<b>Fiscal Year</b>	<b>Real Property (in thousands)</b>		<b>Personal Property (in thousands)</b>		<b>Total (in thousands)</b>		<b>Ratio of Total Assessed Value to Total Est. Actual Value</b>
	<b>Assessed Value</b>	<b>Estimated Actual Value</b>	<b>Assessed Value</b>	<b>Estimated Actual Value</b>	<b>Assessed Value</b>	<b>Estimated Actual Value</b>	
1993-94	\$ 833,935	\$ 3,539,226	\$217,152	\$ 651,456	\$1,051,087	\$ 4,190,682	(2)
1994-95	854,471	3,627,508	256,502	769,507	1,110,973	4,397,015	(2)
1995-96	1,024,976	4,429,977	249,984	749,953	1,274,960	5,179,930	(2)
1996-97	1,077,259	4,594,921	278,917	836,752	1,356,176	5,431,673	(2)
1997-98	1,198,130	5,213,229	284,303	852,909	1,482,433	6,066,138	(2)
1998-99	1,264,928	5,351,440	289,442	939,775	1,554,370	6,291,215	(2)
1999-00	1,293,714	6,809,021	325,992	978,074	1,619,706	7,787,095	(2)
2000-01	1,339,532	7,050,168	361,982	1,086,055	1,701,514	8,136,223	(2)
2001-02	1,466,739	7,719,679	395,092	1,186,462	1,861,831	8,906,141	(2)
2002-03	1,506,988	7,907,549	412,182	1,237,783	1,919,170	9,145,332	(2)
<p>1. Assessed values are set by the Greene County Board of Equalization for real estate and personal property the last Saturday in July each year.</p> <p>2. Real estate ratios were finalized during reassessment in 1985 at 19% for residential, 32% for commercial and 12% for agriculture. Personal property ratio remained at 33.3%</p>							



**CITY OF SPRINGFIELD, MISSOURI  
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (1)  
PER \$100 ASSESSED VALUATION  
LAST TEN FISCAL YEARS**

**TABLE 7**

<b>Fiscal Year</b>	<b>City of Springfield</b>	<b>Springfield R-12 School District</b>	<b>Greene County</b>	<b>Greene County Road and Bridge</b>	<b>Sheltered Workshop</b>	<b>Springfield-Greene County Library</b>	<b>Vocational College District</b>	<b>State of Missouri</b>	<b>Total</b>
1993-94	\$ 0.62	\$ 3.14	\$ 0.09	\$ 0.03	\$ 0.05	\$ 0.22	\$ 0.10	\$ 0.03	\$ 4.28
1994-95	0.62	3.13	0.07	0.05	0.05	0.23	0.10	0.03	4.28
1995-96	0.60	2.98	0.07	0.05	0.05	0.21	0.09	0.03	4.08
1996-97	0.60	3.32	0.08	0.08	0.05	0.21	0.09	0.03	4.46
1997-98	0.60	3.17	0.08	0.08	0.05	0.20	0.09	0.03	4.30 (2)
1998-99	0.60	3.18	0.09	0.09	0.05	0.21	0.10	0.03	4.35
1999-00	0.60	3.18	0.10	0.10	0.05	0.21	0.15	0.03	4.42
2000-01	0.6000	3.2701	0.0848	0.0848	0.0500	0.2100	0.1500	0.0300	4.4797
2001-02	0.5992	3.2006	0.1072	0.1072	0.0487	0.2045	0.1458	0.0300	4.4432
2002-03	0.5993	3.2192	0.1050	0.1050	0.0488	0.2547	0.1458	0.0300	4.5078

1. Information provided by Greene County, which is responsible for assessing and collecting such taxes by contract with the City.  
2. Commercial property is assessed an additional \$1.04 surtax to replace the merchants and manufacturers' inventory tax, which was repealed in 1985.  
The total commercial property rate for 1998-99 is \$5.34

**CITY OF SPRINGFIELD, MISSOURI  
PRINCIPAL TAXPAYERS  
JUNE 30, 2003**

**TABLE 8**

<b>Taxpayer</b>	<b>Type of Business</b>	<b>Assessed Valuation</b>	<b>Percentage of Total Assessed Valuation</b>
Hermel, Inc.	Enclosed Shopping Mall	\$ 10,014,050	0.67%
Lester E. Cox Medical Centers	Hospital	6,534,440	0.44%
Jones, Jerral W Etal	Property Owner	6,189,830	0.42%
Ferrell-Duncan Building Co. LLC	Clinics	5,532,580	0.37%
First Card Services Inc.	Office Complex	5,496,700	0.37%
Simon Property Group LP	Enclosed Shopping Mall	4,861,350	0.33%
St Johns Health System - 1965 S Fremont	Clinics	4,809,730	0.32%
St Johns Health System - 3231 S National	Clinics	4,217,700	0.30%
Bass Pro Inc	Industrial Warehouses	4,016,350	0.30%
American National Insurance	Office Complex	3,746,690	0.25%
Kraft Inc Tax Dept	Cheese Products Manufacturer	3,739,300	0.25%
KIMCO Spfld 625 Inc	Property Owner	3,547,200	0.24%
St Johns Health System - 2055 S Fremont	Clinics	3,135,300	0.21%
The Greens at Springfield LP	Property Owner	3,268,700	0.20%
Lowes Home Centers	Retail Complex	2,913,190	0.20%
Grizzly Ind Inc - 2102 W Battlefield	Distributor	2,871,940	0.20%
CMF Inc	Retail Complex	2,745,370	0.20%
Walmart - 1923 E Kearney	Discount Store	2,718,150	0.20%
Kelly Greens LLC	Property Owner	2,627,340	0.18%
Walmart - 2825 N Kansas Expressway	Discount Store	2,509,640	0.17%
		<u><u>\$ 85,495,550</u></u>	<u><u>5.82%</u></u>

**CITY OF SPRINGFIELD, MISSOURI  
SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS  
LAST TEN FISCAL YEARS**

**TABLE 9**

<b>Fiscal Year</b>	<b>Special Assessment Billings</b>	<b>Special Assessments Collected</b>
1993-94	\$ 385,945	\$ 365,081
1994-95	404,356	389,455
1995-96	388,220	303,254
1996-97	296,346	221,628
1997-98	292,096	226,323
1998-99	235,008	185,338
1999-00	206,221	173,984
2000-01	137,294	106,477
2001-02	546,557	512,873
2002-03	960,781	919,181

**CITY OF SPRINGFIELD, MISSOURI  
COMPUTATION OF LEGAL DEBT MARGIN  
JUNE 30, 2003**

**TABLE 10**

Total Assessed Value		\$ 1,919,170,356
Legal Debt Margin:		
Debt Limitation - 30% of Total Assessed Value (1)		575,751,107
Debt Applicable to Limitation:		
Total Bonded Debt - General Obligation and Special Assessment	\$ 149,762,779	
Less: Amount in Debt Service Funds available for retirement of		
General Obligation Debt	1,690,906	
Public Building Corporation bonds outstanding	104,641,227	
Certificate of Participation bonds outstanding	29,015,000	
Highway Transportation Corporation bonds outstanding	3,303,000	
Total Debt Applicable to Limitation		<u>11,112,646</u>
Legal Debt Margin		<u><u>\$ 564,638,461</u></u>

1. The Constitution of the State of Missouri allows a 30% debt limit as follows: 10% of assessed valuation for general improvements; 10% of assessed valuation for water, sewer, street improvements and right of way acquisition; and 10% of assessed valuation for industrial development.

**CITY OF SPRINGFIELD, MISSOURI  
RATIO OF NET GENERAL OBLIGATION BONDED DEBT  
TO ASSESSED VALUE AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITA  
LAST TEN FISCAL YEARS**

**TABLE 11**

<b>Fiscal Year</b>	<b>Population (1)</b>	<b>Assessed Value (in thousands)</b>	<b>Gross Bonded Debt (2)</b>	<b>Debt Service Funds Available</b>	<b>Net Bonded Debt</b>	<b>Ratio of Net Bonded Debt to Assessed Value</b>	<b>Net Bonded Debt per Capita</b>
1993-94	143,600	\$ 1,051,087	\$ 16,330,000	\$ 3,730,190	\$ 12,599,810	1.20%	87.74
1994-95	144,835	1,110,973	13,180,000	4,588,158	8,591,842	0.77%	57.94
1995-96	146,070	1,274,960	19,635,000	4,114,318	15,520,682	1.22%	103.61
1996-97	147,305	1,356,176	16,145,000	4,730,703	11,414,297	0.84%	75.79
1997-98	148,540	1,482,433	18,135,000	6,159,072	11,975,928	0.81%	77.22
1998-99	149,775	1,554,370	14,190,000	6,873,344	7,316,656	0.47%	46.60
1999-00	151,010	1,619,706	26,040,000	9,332,735	16,707,265	1.03%	105.61
2000-01	152,245	1,701,514	12,730,000	8,572,373	4,157,627	0.24%	26.28
2001-02	155,208	1,861,831	14,129,362	2,326,170	11,803,192	0.63%	76.05
2002-03	156,124	1,919,170	12,803,552	1,690,906	11,112,646	0.58%	71.18
<p>1. City of Springfield only.</p> <p>2. Includes all general obligation bond issues being repaid through general property taxes.</p>							

**CITY OF SPRINGFIELD, MISSOURI  
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR  
GENERAL OBLIGATION BONDED DEBT (1) TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES  
LAST TEN FISCAL YEARS**

**TABLE 12**

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest and Other Charges</b>	<b>Total Debt Service</b>	<b>Total (2) General Governmental Expenditures</b>	<b>Ratio of Debt Service to General Governmental Expenditures</b>
1993-94	\$ 3,279,359	\$ 1,833,120	\$ 5,112,479	\$ 61,877,370	8.26%
1994-95	3,734,748	1,391,796	5,126,544	66,951,040	7.66%
1995-96	4,145,000	1,056,985	5,201,985	73,442,163	7.08%
1996-97	3,640,000	994,371	4,634,371	76,720,050	6.04%
1997-98	3,160,000	865,384	4,025,384	80,882,810	4.98%
1998-99	4,095,000	998,127	5,093,127	90,810,464	5.61%
1999-00	4,150,000	1,264,287	5,414,287	93,114,708	5.81%
2000-01	4,310,000	1,275,041	5,585,041	102,940,235	5.43%
2001-02	3,485,000	1,721,553	5,206,553	111,660,851	4.66%
2002-03	1,140,000	421,210	1,561,210	126,272,473	1.24%

1. Includes all general obligation and general obligation special assessment bonds.  
2. Includes expenditures of the General, Special Revenue and Debt Service Funds.

**CITY OF SPRINGFIELD, MISSOURI  
COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT  
JUNE 30, 2003**

**TABLE 13**

<b>Jurisdiction</b>	<b>Net Bonded General Obligation Debt Outstanding</b>	<b>% Applicable to City of Springfield</b>	<b>Amount Applicable to City</b>
Direct: City of Springfield	\$ 11,112,646	100%	\$ 11,112,646
Overlapping: R-12 School District (1)	<u>122,278,504</u>	95%	<u>116,164,579</u>
Total	<u><u>\$133,391,150</u></u>		<u><u>\$ 127,277,225</u></u>

1. Information provided by the financial officer of the Springfield R-12 School District.

**CITY OF SPRINGFIELD, MISSOURI  
REVENUE BOND COVERAGE - SANITARY SEWERAGE SYSTEM BONDS  
LAST TEN FISCAL YEARS**

**TABLE 14**

Fiscal Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements (3)			Coverage
				Principal	Interest	Total	
1993-94	\$ 16,146,207	\$ 8,273,647	\$7,872,560	\$ 965,000	\$ 2,723,524	\$3,688,524	2.13
1994-95	17,369,854	8,727,193	8,642,661	1,020,000	2,661,975	3,681,975	2.35
1995-96	18,170,121	8,782,438	9,387,683	1,330,000	2,709,660	4,039,660	2.32
1997-97	18,179,089	9,135,966	9,043,123	1,480,000	2,607,456	4,087,456	2.21
1997-98	17,972,812	9,030,894	8,941,918	1,584,000	2,094,900	3,678,900	2.43
1998-99	18,437,810	9,352,870	9,084,940	1,873,000	2,244,648	4,117,648	2.21
1999-00	19,478,609	9,785,102	9,693,507	2,104,710	2,439,264	4,543,974	2.13
2000-01	20,127,546	10,537,971	9,589,575	2,081,000	2,070,608	4,151,608	2.31
2001-02	20,152,667	12,877,640	7,275,027	2,078,000	2,110,646	4,188,646	1.74
2002-03	20,519,722	9,147,678	11,372,044	2,201,000	1,966,892	4,167,892	2.73

1. Total operating revenues, exclusive of interest.  
2. Total operating expenses, exclusive of depreciation.  
3. Includes principal and interest on revenue bonds only; does not include State of Missouri intergovernmental notes.



**CITY OF SPRINGFIELD, MISSOURI  
REVENUE BOND COVERAGE - REGIONAL AIRPORT BONDS  
LAST TEN FISCAL YEARS**

**TABLE 14A**

Fiscal Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements (3)			Coverage
				Principal	Interest	Total	
1993-94	\$5,303,226	\$ 3,114,883	\$2,188,343	\$ 150,000	\$367,335	\$517,335	4.23
1994-95	5,888,284	3,344,831	2,543,453	165,000	351,630	516,630	4.92
1995-96	6,146,862	3,395,102	2,751,760	235,000	413,131	648,131	4.25
1996-97	6,205,247	3,727,723	2,477,524	235,000	398,840	633,840	3.91
1997-98	6,197,045	4,218,823	1,978,222	205,000	306,985	511,985	3.86
1998-99	8,179,120	4,730,592	3,448,528	455,000	326,050	781,050	4.42
1999-00	8,504,617	4,843,596	3,661,021	430,000	360,850	790,850	4.63
2000-01	8,149,500	5,418,627	2,730,873	455,000	292,445	747,445	3.65
2001-02	7,607,357	5,761,554	1,845,803	470,000	274,472	744,472	2.48
2002-03	8,820,906	6,172,552	2,648,354	500,000	255,438	755,438	3.51
<p>1. Total operating revenues, exclusive of interest.</p> <p>2. Total operating expenses, exclusive of depreciation.</p> <p>3. Principal and interest on revenue bonds only; does not include certificates of participation or debt defeasance transactions reported in the Airport fund.</p>							

**CITY OF SPRINGFIELD, MISSOURI  
DEMOGRAPHIC STATISTICS  
LAST TEN FISCAL YEARS**

**TABLE 15**

<b>Fiscal Year</b>	<b>Population (1)</b>	<b>Per Capita Income (1)</b>	<b>Median Age (1)</b>	<b>Education Level in Years of Formal Schooling (1)</b>	<b>Public School Enrollment (2)</b>	<b>Unemployment Rate (3)</b>
1993-94	275,100	\$ 12,954	32.5	12.8	24,758	4.5%
1994-95	281,800	13,213	32.5	12.8	24,638	3.3%
1995-96	285,000	14,500	32.6	12.8	24,876	3.3%
1996-97	290,700	17,110	32.6	12.8	24,126	3.3%
1997-98	306,030	17,115	32.6	12.9	24,293	3.2%
1998-99	304,863	22,206	32.6	12.9	24,499	3.0%
1999-00	308,332	22,338	32.6	12.9	25,044	2.0%
2000-01	325,721	24,525	33.7	13.0	24,463	3.0%
2001-02	331,379	28,046	33.8	13.0	24,356	4.5%
2002-03	378,727	28,500	33.9	13.0	24,285	3.6%

1. Information provided by the City of Springfield Economic Development Division and contains information for the Springfield Metropolitan Statistical Area (MSA).  
2. Information provided by the Springfield R-12 Public School District.  
3. Information provided by the Missouri Division of Employment Security. Average rate for the fiscal year in the Springfield MSA.  
4. Information provided by the Springfield Area Chamber of Commerce, Springfield, Missouri.

**CITY OF SPRINGFIELD, MISSOURI  
PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS  
LAST TEN FISCAL YEARS**

**TABLE 16**

Fiscal Year	Property Value (in thousands) (1)			Commercial Construction (2)		Residential Construction (2)		Bank Deposits (3) (in thousands)
	Real Estate	Personal Property	Total	Number of Units	Value	Number of Units	Value	
1993-94	\$ 3,539,226	\$ 651,456	\$ 4,190,682	129	\$ 72,542,075	1,821	\$ 126,565,884	\$ 2,488,000
1994-95	3,627,508	769,507	4,397,015	164	84,532,136	1,279	115,735,404	2,639,398
1995-96	4,429,977	749,953	5,179,930	144	76,553,884	1,328	100,139,368	2,726,498
1996-97	4,594,921	836,752	5,431,673	128	81,579,321	1,178	87,590,136	2,835,558
1997-98	5,213,229	852,909	6,066,138	137	77,144,594	1,220	93,916,261	N/A
1998-99	5,351,440	939,775	6,291,215	127	82,173,253	1,254	132,835,438	N/A
1999-00	6,809,021	978,074	7,787,095	144	156,719,242	1,276	174,203,524	N/A
2000-01	7,050,168	1,086,055	8,136,223	110	144,427,036	1,203	169,367,678	N/A
2001-02	7,719,679	1,186,462	8,906,141	141	71,375,514	1,426	235,966,002	N/A
2002-03	7,872,516	1,160,204	9,032,720	119	105,267,727	2,163	416,521,962	N/A

1. Information provided by Greene County Assessor's Office. See Table 4  
2. Information provided by the City of Springfield and Greene County building departments.

**CITY OF SPRINGFIELD, MISSOURI  
MISCELLANEOUS STATISTICS  
JUNE 30, 2003**

**TABLE 17**

Date of Incorporation	February 18, 1838
Form of Government	Council-Manager
Number of full-time employees	1,608
Area in square miles	80

City of Springfield facilities and services:

Miles of streets	825
Number of street lights	19,313
Culture and Recreation:	
Number of parks	60
Park acreage	1,750
Number of playgrounds	45
Number of golf courses	4
Number of swimming pools	7
Fire Protection:	
Number of stations	11
Number of firemen and officers	207
Number of calls answered	14,990
Number of inspections conducted	2,963
Police Protection:	
Number of stations	2
Number of community substations	4
Number of policemen and officers	331
Number of law violations:	
Physical arrests	14,718
Traffic violations	42,881
Parking violations	9,789
Sewerage System:	
Miles of sanitary sewers	1,161
Miles of storm sewers	840
Number of treatment plants	2
Number of service connections	71,774
Average daily treatment in gallons	34,540,000
Maximum treatment capacity in gallons	48,900,000

Facilities and services not included in reporting entity:

Education:	
Number of elementary schools	37
Number of middle schools	9
Number of senior high schools	5
Number of teachers	1,783
Number of students	24,285
Number of universities and colleges	6
Hospitals:	
Number of hospitals	5
Number of patient beds	1,990